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The Nation's Business

Creating a 1914 Army For 1941 War

In a remarkable series of editorial articles, The Globe and Mail, Toronto, has been coldly dissecting Canada's war plans on the military side.

The interrupting fact they emphasize is that Canada is, with unhappy obstinacy, building up an army whose equipment and training are obsolete in terms of this war; an army that will be tragically unfitted to cope with the striking force against which it will one day be pitted—the fast-moving, hard-hitting German units.

The articles, the Globe and Mail asserts, have been prepared after consultation with experts on modern military science. Certainly what they say is fully confirmed by articles that have appeared in the leading military gazettes of the world, by the writings of such authoritative commentators as Hanson W. Baldwin of the New York Times, and Major George Fielding Eliot, of the New York Herald-Tribune, and by some very impressive material published in recent issues of the Reader's Digest.

* * *

Canada is planning to spend this year $667 millions on the army alone, plus $386 millions on the air force and $170 millions on the navy. Canadian citizens have a right to expect that this money will be spent in the manner best calculated to make Canada's ultimate military contribution an effective one. The Globe and Mail articles raise very positive doubts as to whether the money can be well spent in the face of the stubborn determination of Canada's General Staff not to learn the obvious lessons of Germany's miracle successes in this war.

The striking fact is brought out that Germany destroyed the resistance of 350 divisions of Belgian, French, Dutch and British soldiers with the shock tactics and high mobility of a specialized and well trained force that did not exceed 10 divisions; or fewer men than Canada has today on active service.

The Globe and Mail describes the type of army that wins today's "wars of movement" of speed. It is made up of light, compact, hard-hitting mechanized units. There is the utmost co-ordination between all branches of the fighting services—land, air and sea. Soldiers are intensively trained and disciplined in mechanical warfare. They have no time to peel potatoes or do camp fatigue duties, or to spend endless days on the parade ground. Routine work is done by labour battalions. Germany built up such an army. She started the building process when she was without weapons. She trained the most powerful army in Europe with improvised weapons.

Here, in Canada, it is declared, we continue to train our men on outmoded lines. The first two divisions went overseas with conventional pre-war organization. When the Third Division goes over it will not be able to meet the enemy until it has had months more of training—training in the congested British Isles, which are under siege and where there is a shortage of food.

* * *

It is revealed that there has been no training of our army in teamwork, through divisional manoeuvres. We should not have several armies in Canada but one army, co-ordinated and trained as such.

It is revealed that many of our units are short of vehicles essential for their training, while thousands of vehicles are stored idle in factory lots and at London, Ontario.

Artillery and infantry units have sought to have the co-operation of airplanes in their training. One artillery unit, for instance, wanted to test out its camouflage defense from the air. Such requests have been refused, although the essence of modern warfare is co-operation of ground and air forces and although there are Lysander army co-operation planes idle in Canada because the authorities see no present use for them.

No university with a reputation for prowess would think of training a football team the way we train our army, says the Globe and Mail.

The Globe and Mail articles are critical of much of the equipment we are building. The war has taught the need for fast moving troops and automatic weapons. The Germans normally use no such ponderous equipment as the Bren-gun carrier. Their troops travel on special carriers and are individually equipped with tommy guns.

Obviously, a complete overhauling of Canada's general staff is called for. Younger men, with a keen understanding of the lightning movement of lightning war, should be put in charge to revise our system of training and make it conform to the kind of war our fighting men are preparing for. Closer co-ordination of the various commands, to enable air force, army and navy to co-operate in their training is also needed.

* * *

The Financial Post has long urged that Lieut.-General McNaughton should be brought back to Canada. He is needed here to outline to the Government precisely the type of war we are called upon to fight and to indicate the numbers of men and the types of equipment that we need to make an effective contribution in such a war.

Even the debate on conscription is premature until we know what we need in man power. It is conceivable that the number of men now under arms, properly trained and equipped, would not need to be increased. Our additional national energy and financial resources could, perhaps, be better used in making the present four divisions and our airforce a fully trained blitzkrieg army.

These things are conceivable but not certain. The general public does not know the answers. It is doubtful if the Government or the general staff at Ottawa know the answers. But Lieut.-General McNaughton ought to be brought home to give us the answers and to take charge of the creation of a unified Canadian fighting force.

We should halt immediately the wasteful, hazardous folly of training an army of mere flesh and blood, an infantry army to fight over again the battles of the last war. It is time we awoke to the necessity of providing ourselves with the "new military instrument" that is needed to defeat Germany in 1941 and 1942.

The Globe and Mail articles should crack official complacency wide open.

* * *

GAS WARNING UNHEEDED

There is little evidence that the Government's appeal to motorists to save gasoline is being seriously heeded. From almost every part of the country comes the same story—no noticeable reduction in highway pleasure traffic. At the present rate of voluntary restriction it will be years instead of weeks before the objective of a 50% cut in gasoline consumption can be achieved.

Such methods cannot win a war against the kind of ruthless enemy we are forced to face. Provided Ottawa is serious in its contention that we must halve our current demand for gasoline, then prompt and more rigorous action is imperative.

* * *

LAW FRAMERS TAKE NOTE

It took just 49 words—less than a night letter—for Russia and Britain to conclude an alliance to defeat Germany. The agreement reads as follows:

"1. The two Governments mutually undertake to render each other assistance and support of all kinds and in all times in the present war against Hitlerite Germany.

"2. They further undertake that during this war they will neither negotiate nor conclude an armistice or treaty of peace except by mutual agreement."

The legal minds who frame our tax laws might well study such a model of simplicity.

Try to Win Coal Miners' Cooperation

Hon. Norman McLarty, Minister of Labor, this week said the Atlantic division of the Canadian National Railways will cease to operate, though it is handling great quantities of war materials, and the Atlantic convoys will be short of bunker coal unless Cape Breton miners stop slowing down production.

Make Patriotic Appeal

The statements issued by the minister indicate Ottawa has reached an impasse. Under the very wide powers conferred by the War Measures Act the mines could be taken over by the Government, but men can't be forced to work them. Accordingly the Government is making a patriotic appeal.

To that end an advertising campaign has been initiated in the Halifax, Sydney and Glace Bay papers under the heading: "Canada Asks Nova Scotia Coal Miners to Support Her Fighting Men."

Reduced output in the mines, which has already cost the country

(Continued on page 2, col. 4)

Sees Quebec Power Shortage Possible

From Our Own Correspondent

MONTREAL.—Shop windows in Quebec's urban centres might be dimmed this coming winter. Advertising signs might be lightless. Office hours might be staggered. These and other moves may be necessary to lighten the power load on the tramway system, if the power shortage which H. J. Symington, Dominion Power Controller, fears, should be realized.

On the basis of the present expansion of aluminum smelting facilities and on the assumption the water supply will not be any better than it was in 1940, Mr. Symington estimates the supply of power will be 500 million kilowatt hours short of requirements.

Taken by itself this figure might lead to the belief that Quebec faces a serious shortage of power. Such is not the case. While 500 million kw.h. of energy represents a lot of energy-, still it is only 4% of present consumption.

Only a Short Swing

With machine capacity in the power industry far greater than actually required this prospective shortage of 4% could be picked up quite easily provided water is available.

Last year saw low water conditions in the province and conditions during the first five months of this year were even less favorable. Recently several good rainfalls have brought water storage back to the 1940 level.

Given a series of good rainfalls between now and the end of the year, Quebec power supply situation could undergo a marked change for the better and there would be no talk of a shortage.

Matter of Anticipation

The problem facing the power controller is to anticipate what the situation might be if these rains do not materialize. The estimate of a possible 500 million kw.h. shortage was predicted on a water supply no better than in 1940.

There is by no means unanimity of opinion in the Quebec power industry on the likelihood of a shortage. Some operators are quite confident all requirements can be taken care

(Continued on page 2, col. 3)

Soon to Cut Vegetable Oil Imports

By STAFF WRITER

OTTAWA.—Drastic curb on vegetable oil imports from the United States is pending.

Such restriction was proposed recently by the vegetable oils administrator, Dr. George Hilton. The plan has been studied by packing companies, soap manufacturers and other users who are most affected.

The Government will weigh the reaction of the manufacturers before finalizing restrictions. As far as possible each industry will be treated individually.

Under the budget of last April authority was given the Government to reduce these imports from the United States. Up to now the Government has used its powers sparingly. There has been supervision of imports and some limitation of purchases, but no definite programme of restriction has been worked out.

One brake has been the complex

(Continued on page 2, col. 2)

Halving Car Output Talked For Canada

Some Decision Expected Shortly on Extent of New Curb — See Important Savings in Materials, Facilities and U. S. Exchange

By STAFF WRITER

OTTAWA.—A saving of nearly 150,000 tons of precious war metals—steel, aluminum, lead, copper, zinc, etc., is indicated in the new plan for a further slash in automobile production expected to be announced here shortly.

As at April 1, Canada officially reduced new car production in this country by 20% for the balance of the year. In the four months to Aug. 1 this should have accounted for a saving of about 20,000 tons of war metals.

In addition, Canada prohibited last December the importation of cars into this country above 20% of the previous year's levels.

The new order is expected to reduce output by at least a further 30%, making a total reduction for the new car year (1941-42) of 50% compared with the previous selling season.

Just what this means in terms of metals is indicated in figures given out at Washington over the week end.

It was announced in the U. S. capital that Leon Henderson, Administrator of the Office of Price Administration and Supply, was tentatively planning a reduction of 50% in passenger car and light truck production for the next 12 months. At the same time it was stated that the 1942 model automobile would require the following amounts of materials per 1,000 cars:

Metal Used Per 1,000 Cars

Steel (short tons)	1,493
Primary aluminum (lb.)	1,104
Secondary aluminum (lb.)	4,599
Magnesium (lb.)	14
Zinc (lb.)	18,630
Chromium (lb.)	5,040
Copper (lb.)	48,613
Lead (lb.)	33,854
Tin (lb.)	3,409
Tungsten (lb.)	17
Nickel (lb.)	1,491
Nickel steel (lb.)	31,598

Since sales of new passenger cars in Canada in 1940 totalled something around 110,000 units, it is probably fair to estimate that in the 1941-42 season at least 55,000 units would be saved by a further 30% cut in production.

Using this figure total metal savings would be approximately as listed in the accompanying illustration.

Lumbermen May Get Jobless Insurance

From Our Own Correspondent

OTTAWA.—The Unemployment Insurance Act will probably be amended to include within its provisions logging and lumbering workers.

This is the interpretation placed on the statement made last week by Hon. Norman McLarty, Minister of Labor, that it might be found desirable to broaden the Act.

When the Act was under discussion last year in the House of Commons, strong representations were made as to the advisability of including these groups. At that time Mr. McLarty said the employment record of these industries would be investigated.

Such an investigation has again been formally asked for by these groups and will shortly be made. Until it is made there is no chance of definite decision.

Halving Car Output

Would Save

	Tons
Steel ...	81,630
Nickel Steel	870
	Pounds
Aluminum	†313,500
Zinc	1,024,650
Chromium	277,200
Copper..	2,673,715
Lead ...	1,861,970
Nickel ...	82,005
Magnesium	770
Tin	187,495
Tungsten	935

†Primary and secondary aluminum.

For War Production

The War And Business . . A Weekly Round-up

U.S.-Canada Co-ordination

As predicted on more than one occasion in this column, steps are now being taken to co-ordinate Canadian and United States restrictions on civilian consumption. This is one of the first jobs tackled by the recently set up Joint Economic Committee of the two countries, reports from Washington indicate.

Part of the same general plan will be the adoption of a uniform export policy in regard to doubtful neutrals like Japan.

By adopting similar restrictions on such key products as oil, zinc, lead, aluminum, etc., obvious leaks over the border will be prevented. Of almost as much importance, too, will be the removal of any feeling of discrimination.

There will be mutual sacrifice by the people of both countries. This co-ordination may eliminate the present embarrassing problem Canada faces in regard to its gasoline restriction policy and the American tourist. If gas is also restricted in the United States then these tourists will naturally expect the same treatment when they come to Canada.

* * *

No More Fire Sales

There are to be no more fire sales of British securities in the United States and presumably therefore Canada's billion dollar investment in that country is also safe. This week the R. F. C. (Washington's Reconstruction Finance Corporation) announced that a $450 millions loan had been floated to the U. K. with Britain's remaining private investments in the U. S. as security. This loan is to be used for paying off the British Government indebtedness incurred by the purchase of U. S. war materials prior to Lease-Lend.

A few months ago Britain started to liquidate investments in the U. S. to meet her war bills. Most spectacular sale was that of the $150 millions American Viscose Corp. In informed quarters the move was believed in the nature of a token sale to satisfy a minority group at Washington who demanded that, before any aid should go to Britian, every last cent of that country's resources in the U. S. be liquidated.

That such a line was most impractical was soon demonstrated. Nothing like full value could be realized under such forced selling, there was grave danger of swamping the stock market, and in many cases there was a distinct advantage to the United States in having the present experienced ownership continued. RFC's move in making the new loan apparently ends any danger of further fire sales.

* * *

Rush Bacon Quota

Increase of $1 per hundredweight in the price payable to packers for export bacon, as recently forecast by The Financial Post, became effective July 23. It is part of the programme to ensure Canada's ability to meet its 425 million pounds of bacon commitment to Britain a month and a half ahead of the original date.

The $1 increase brings the price of Grade "A" No. 1 sizeable Wiltshires to $19.60 at seaboard, payable to the packers for export bacon. Cumulative increases since May 1 now amount to $3.50 per hundredweight, of which $1 is paid by the United Kingdom, $2.50 by the Canadian Government. The rises have been necessary to stem the flow of live hogs to the United States arising from the high prices south of the border. Differences in export and domestic prices have cost the packers up to $1.25 a hundredweight to comply with their export commitments.

Besides the price boost, the present order reduces by 25% the amount of pork products that may be distributed by exporting packers in the domestic market, and prohibits the export of live or dressed pork products, other than lard, to countries outside the Empire.

Completion of the present 425 million pound bacon contract on Sept. 15 is likely to be followed by one for 600 million pounds, according to Agriculture Minister Gardiner. As present prices are high enough to stimulate hog production in Canada and the United States, the larger contract may be filled with greater ease than the present one, although recent crop damage in western Canada is an unfavorable factor.

* * *

Labor Policy Double Talk

Some plant executives see danger of confusion arising from the official poster outlining the Government's wartime wages policy. The section setting forth the basis of the cost-of-living wage bonus tells workers they are entitled to claim a bonus "whenever the cost of living rises five points or more." The following sentence says the bonus should be 25 cents a week for each one point rise in the cost of living index.

Critics of the poster, distributed to guide employees, object this can be interpreted to mean that a bonus should be paid every time the index gains a point, certainly after it has gone up five points or more. It is also objected that the poster does not indicate what starting point is to be taken in computing the five-point gains on which bonuses are to be based.

Actually, of course, the policy provides that bonuses shall be paid, and new bonuses added, only when cost of living gains amount to five full points or more. The starting point in computing the gains is Aug., 1939, when the D.B.S. cost of living index was slightly over 100, or any later date when workers' pay was increased by either a raise in basic wages or by bonus.

The reference to 25 cents per week for every one point rise in the index is only the basis of calculating the amount of the bonus. The basic yardstick for bonus payments, for full time workers, is thus $1.25 a week for every 5% rise in the cost of living since start of the war or since the last wartime raise in pay.

* * *

Armed Forces Grow

Canada has now enlisted almost half a million men for the active and reserve forces of all three arms, and of these has sent overseas almost 90,000. Total strength of the active forces is estimated at 300,000 which would be equivalent to an army of three million men for the United States, allowing for difference in populations.

Latest break-down of our armed strength is as follows:

For Active Service:	
Army	220,000
Air Force	60,000
Navy	20,000
Reserve Forces:	
Army	170,000

* * *

$2 Billions of War Orders

Total value of contracts awarded and commitments made by the Department of Munitions and Supply on Canadian and United Kingdom account is now approaching the $2 billions mark. Contracts placed on Canadian account, including commitments for plants and plant extensions, total $1,095,844,203, while the aggregate of orders placed on United Kingdom account is $602,673,000. United Kingdom commitments for plants and plant extensions, together with orders for the output of some of these plants, amounts to $212,297,000. Contracts of the Civil Aviation Division for airport construction and land purchase under the British Commonwealth Air Training Plan totalled nearly $20,000,000. Grand total $1,930,814,203.

* * *

Aircraft Output Up 25%

Canada's production of aircraft in the quarter ended June 30 jumped 25% over that of the preceding three months, and was 10 times greater than the entire 1939 output, Hon. C. D. Howe, Minister of Munitions and Supply, stated last week. Output in the first six months of this year exceeded the total for all of 1940, he said. Mr. Howe warned, however, that, measured in terms of numbers, the monthly production of planes is now declining because Canadian plants are turning from the production of what has been almost exclusively small training craft to that of larger fighters and bombers.

Speaking at Flin Flon, Man., Hon. T. A. Crerar, Minister of Mines, is reported to have estimated Canada's plane output this year at 1,500 machines and next year at 2,000.

* * *

U.S. War Opinion

Since the entry of Russia into the war, American public opinion favoring active U. S. participation has cooled slightly, according to the latest Gallup Poll of public opinion. On the other hand sentiment in favor of the U. S. Navy being used to convoy ships to Britain has slightly increased.

Before Russia's entry into the war some 24% of the U. S. public queried were in favor of U. S. declaring war against Germany. Following Russia's entry the proportions dropped to 21%.

Regarding the use of the U. S. Navy to convoy ships, before Russian entry, 55% of the people queried were in favor of such a step, and after some 56%.

* * *

Milestones

Recent landings in Britain have brought Canada's total armed forces overseas up to "between 80,000 and 90,000 men" . . . For the three months ending June 30 last, 271 construction contracts were awarded by Department of Munitions, totalling an expenditure of more than $16 millions. Bulk were for the Air Force and Air Training Plan buildings. . . . war contracts awarded during the week ended July 4 numbered 2,392 and totalled $15.8 millions.

Mines Wait on Ottawa For Labor Solution

Failing to secure approval of mine operators for their "master working agreement," the C.I.O. Kirkland Lake Mine and Mill Workers' Union has made application to the Dominion Government for a board of conciliation in a further attempt to break into northern Ontario mining.

Following the first union demand for an agreement, mine operators explored the union demands which involved a 10-point programme. No basis for further negotiation was found by the mine operators, however, a strong bar to any negotiation being the demand for recognition of the C.I.O. union. "The mine operators feel that this international union is one in which they can have no faith" is the way Alex Harris of Lake Shore Mines, spokesman for the mine operators, puts it.

What Union Wants

The 10 things demanded by the union were:

Union recognition. Wage adjustments. Hour adjustments. Seniority. Grievance procedure. Holidays with pay. Provision in any agreement reached for the opening of same to make wage adjustments. Supplementary agreements for each mine. Military service job return guarantee. Medical and hospital plan adjustment.

Mine operators believe that giving the cost-of-living bonus on top of present wages should be acceptable.

Giving Bonus Now

Mr. Harris said:

"Last January a cost-of-living bonus of 25 cents per day was granted when the cost of living index reached 108. The mines are quite prepared to make a further 25-cent increase when the index reaches 113. Any appreciable increased cost of production brought about by wage and hour adjustments would make mining of marginal

(Continued on page 2, col. 5)

Planners are Studying Future of Aluminum

By STAFF WRITER

OTTAWA.—Aluminum may become vastly cheaper after the war if deliberations of the Joint Economic Committee which met for the first time in Washington last week bear fruit. Next meeting of the committee will be in Ottawa Aug. 8.

The committee has two jobs: To discuss immediate problems of war supply not now under consideration by the Materials Co-ordinating Committee; second, to discuss long-range problems of economic relationships between the two countries.

Typical of the long-range problems is the question of surplus post-war capacity of aluminum. Canada, after the war, will have perhaps 10 times more aluminum capacity than could be accommodated on a pre-war basis. There will be considerable overcapacity in the United States.

One problem which this committee will tackle will be to try to make aluminum a very cheap metal available for sale in huge quantity on a very narrow profit margin.

One of the most pressing of immediate problems to be tackled by the committee is shipping. At present there is a lack of co-ordination between the Canadian Shipping Board, the U. S. Maritime Commission and the British Transport Board. It will be the committee's aim to find a simple effective liaison between these boards to clear matters of common interest.

The board has no statutory authority, but is charged with initiating and "thinking" in respect of economic problems common to the two countries. Where effective machinery for dealing with such problems already exists, the board will not interfere unless asked to do so or unless the matter has long-term implications.

Chairman of the Canadian section is R. A. C. Henry, Economic Adviser to the Department of Munitions and Supply. In his absence, due to illness, the committee was chaired last week by Dr. W. A. Mackintosh, economic adviser to the Department of Finance.

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Canning Prospects Below Last Year

Peas, Berries Down — Tomatoes, Corn Aided By July Rains

First reports of results in the 1941 canning season indicate a somewhat lower pack than last year, with a number of important crops still to be heard from. Lack of rainfall has been responsible for a smaller crop of strawberries and raspberries. In B. C. it is not expected that there will be any surplus for the production of strawberry jam, after allowing for British requirements of strawberry pulp, according to Canadian Grocer.

The pea crop is estimated at 75% of the expected total. Against last year's record pack of 2.6 million cases, this year is not expected to produce more than 2 million cases. Heavier rainfall in July has improved the prospects for the tomato, corn and pickle crops, but the tomato crop is not expected to be large enough to fill more than 500,000 to 600,000 of the 860,000-case order of the British Government. Slack in tomato shipments to Britain is likely to be taken up by the U. S., which is expected to export upward of 1.5 million cases.

Can. Colonial Airways Expanding Services

United States Civil Aeronautics Board has granted authority to Canadian Colonial Airways Inc. to expand its air transport between New York City and Montreal by way of Albany and Glen Falls from June 1 to September 30. This gives service for the first time to Glen Falls and makes permanent the line's right to serve Burlington.

The application for service to Lake Placid, N.Y., was denied.

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Soon to Cut Vegetable Oil Imports

(Continued from page 1)

nature of the business. Needs of individual users of imported vegetable oils differ very widely. A small subcommittee has been wrestling with the problem for some time and the new plan of restriction is expected to be announced shortly.

A sharp rise in prices of lard and tallow in recent months is one indication that the time for free import of foreign vegetable oils is drawing to a close. Tallow prices have been following vegetable oil prices upward, the latter having more than doubled since the outbreak of war.

Normally Canada's imports of vegetable oils amount to more than 200 million lb. annually. Value of imports in 1939 was about $12 millions, but had the same volume of oils been imported this year the amount involved would be more than double that figure.

Use of Substitutes

The question of substitutes is of great importance. In the paint industry, for example, it is difficult, if not impossible, to substitute animal oils, but fish oil is a possible substitute. The soap and shortening industries are the two most affected. In this field Canada has just recently developed a source of its own, namely the new cocoanut oil plant in Vancouver.

Other users affected are the makers of printing inks, the tanning industry and the manufacturers of textile and industrial oils.

One problem facing the oils administrator is prospect of substantially increased demand for products of vegetable oil users, due to generally rising purchasing power. One proposal made to soap manufacturers was to cut their supplies 25% on the basis of three-year average importations. In terms of current and anticipated demand this would have actually meant more than a 50% cut.

Cut May Be 20-30%

In industrial circles affected by the projected import restriction, company officials at mid-week were still awaiting definite word from Ottawa as to the extent and method of the new control. It was anticipated, however, that imports might be reduced by as much as 20-30% of the average of the last three years.

Chief motives cited by Government officials in proposing the restriction are reported as:

1. Saving U. S. exchange required to pay for imported vegetable oils.

2. Releasing shipping space now used to bring oil consignments from China, Sumatra, Malaya and other points scattered all over the world.

Particularly in the soap industry it is believed the reduced imports will require curtailment of both production and consumption. The current trend of demand for soap products, it is said, calls for increased rather than decreased imports of basic materials.

ALUMINUM CHIEF

H. R. Cockfield, managing director of Cockfield, Brown & Co., Montreal, has been appointed director of aluminum production and distribution of the Department of Munitions and Supply. He has been acting in somewhat similar capacity in Canada on behalf of the United Kingdom Ministry of Aircraft Production, a task which will be merged into his new work.

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Sees Quebec Power Shortage As Probable

(Continued from page 1)

of with water conditions at the 1940 level. Others foresee a tightness of supply and some an actual shortage.

The warning of the power controller of possible restriction on the use of electricity for commercial and domestic purposes was precautionary. At this stage it is impossible accurately to estimate the power supply available next winter.

Depends on Aluminum

The power situation hinges around the extent of operations at the smelting plants of the Aluminum Co. of Canada.

With the pot room capacity scheduled for completion the end of the year it will be difficult, according to one authority, to meet the power demands with the present water supply.

The company has gone ahead installing pot rooms with the idea that productive facilities will be available to utilize all the power that might be produced under favorable water conditions.

Problem for Controller

The problem facing the power controller and others is how to make up the 500 million kw.h. in the event water conditions are unfavorable.

Quebec is the largest producer of hydro-electric energy in the Dominion. It is also the largest user of energy. While 500 million kw.h. represents only 4% of consumption, it will not be an easy matter to pick up that amount of electricity for use in the aluminum plants.

At present less than 150 customers use 86% of the total primary energy sold in the province and take over 80% of the total demand.

These industrial customers are nearly all doing vital work.

Limited Savings Only

This year Quebec expects to produce 17 billion kw.h. of electrical energy. From this must be deducted 3½ billion kw.h. of energy exported to Ontario and elsewhere; between 10 and 11 billion for the industrial group mentioned; over a billion kw.h. for line losses.

Apparent domestic and commercial consumption in Quebec province this year will run between 1½ and 2 billion kw.h.

To offset the probable shortage of 500 million kw.h., it would be necessary to reduce commercial and domestic consumption by one third.

A recent estimate by authorities places the use of electricity in Quebec advertising signs at 18 million kw.h.

Shop lighting is estimated to require another 37 million kw.h.

Electricity used for advertising signs and shop lighting is enough to produce something less than 3,000 tons of aluminum.

Some Areas Can't Help

But these figures apply to the whole province, which means that only a part of the saving in electricity used could be applied to aluminum smelting operations.

Thus the figures for the province as a whole have to be cut down when any plan is considered for restricting electricity use.

Power Demands Rising

During May total generation of 1,507 million kw.h. in Quebec was 3.4% greater than for the same month last year. Sales of 1,420 million kw.h. registered an increase of 2.7%. The greatest gain and best indicator of the trend of power demand is in primary power sales which in May totalled 868 million kw.h., 26.7% greater than a year ago. This was made possible by reduction of 38.2% in secondary sales and a minor decline in exports.

Reflecting the improvement in output and sales, particularly for primary power, dollar revenue of the Quebec operators in May reached $5,464,116 or 12% more than in the like month last year.

All divisions recorded greater income, but the biggest change occurred in primary sales, the income from which at $2,986,520 was 18.4% ahead of 1940.

Davis-Chainway Sales Up 103.9%

N. M. Davis Corp. reports sales for the current year to date 103.9% above the corresponding period of 1940 which period in turn was 65% over 1939. These figures include sales of the Chainway Stores Division. They were incorrectly reported in The Financial Post recently as indicating a gain of 13.9%.

The Chainway Stores Division, selling a variety of merchandise ranging up to $5 in price, reports a gain of 51.4% in sales for the current year to date.

Jamieson Heads New Army Unit

From Our Own Correspondent

MONTREAL. — R. E. Jamieson, professor of civil engineering at McGill University, has been appointed director-general of a new army engineering design branch, Hon. C. D. Howe, Minister of Munitions and Supply, has announced. He will also head a special interdepartmental advisory committee on army engineering design.

Work and personnel of the Department of National Defense, now responsible for army design, will be transferred to the Department of Munitions and Supply and to the new design department.

Try to Win Coalminers' Co-operation

(Continued from page 1)

250,000 tons in lost production, is only incidental—from the miners' point of view—to the bigger issue involved, which is whether the erstwhile leaders of the Amalgamated Mine Workers can force the United Mine Workers union out of the Nova Scotia field.

Several years ago there was an all-out fight between a local miners' union, known as the Amalgamated Mine Workers and John L. Lewis' organization, the United Mine Workers. The men who led the A.M.W. are those who directed the outlaw convention that adopted a policy of production curtailment.

At that time a law was passed requiring the men to select one union entitled to the check-off, whereby union dues are deducted from the men's wages by the company and paid to the union. The U. M. W. won out, but the scars of that battle did not heal.

War Gives Opportunity

The war presented an opportunity where, without dues, it was possible for the A.M.W. leaders again to spring into action, challenge the authority of the U.M.W. to represent miners and, incidentally, secure all the benefits of the check-off.

The slow-down has made the present fight between the "outlaws" and the U.M.W. possible. Operators have to keep their datal forces, including the lower paid men, on the job just as if the mines were fully operating all out. Underground miners, who earn from as much as $7 to $12 a day, depending upon output, can join in the slow-down and still secure an income that compares very favorably with pre-war days.

Don't Need "War Chest"

With wages on a higher level now than they have been for some time past—even under the slow-down policy—the outlaw organization does not need to worry about a "war chest" to carry on its battle with the U.M.W.

This week three locals of the U.M.W. District 26 were advised by John L. Lewis, international president, that the district executive desired the U.M.W. charters of the locals revoked. The three had been represented at an outlaw convention which adopted the slow-down policy. The order went to No. 4 (Caledonia) and No. 11, both in the Glace Bay area, and No. 12 at New Waterford. The three embrace a membership of more than 2,000 men.

They have until the end of this week to decide on their future policy.

The whole question now revolves around whether or not the U.M.W. is strong enough to enforce its wishes on the local unions.

Highest Wages in 20 Years

At a mass meeting last week more than 5,000 miners were cautioned by the committee not to strike but to continue their present policy in their fight for higher wages and removal of the present executive of District No. 26 of the U.M.W.

The matter of wages is a new angle raised by the outlaw group and is designed to secure sympathy for the outlaw group as wages now paid are higher than they have been in years.

At present the lowest wage paid for common labor is $3.90 for an 8-hour day. In addition there is a cost of living bonus of 15 cents a day, which brings total income to $4.05—over 50 cents an hour.

The last time wages for common labor were that high was in 1922, when the cost of living index stood at 190. The cost of living index today, on the same basis, stands at 135, so that in effect common mine labor is currently receiving the highest wage paid in 20 years.

Mines Waiting On Ottawa Action

(Continued from page 1)

ores unprofitable, impractical and would shorten the lives of the mines.

"This would be a very serious situation when considered on a national basis, and in relation to the Foreign Exchange Control Board and the war effort. Some of the mines do not mine high grade at all. Their operations are confined solely to marginal ores, and they would be forced out of business."

Union Wants Wage Boost

T. F. McGuire, C.I.O. organizer at Kirkland Lake has so far declined to make public what wage demands are. A dollar a day is reported in some union quarters to be the figure in mind.

In regard to hours, Mr. McGuire wants a 48-hour week until all men are working, and time and a half for anything over. Mr. Harris points out that the average miner works about 6½ hours a day when the time for ascending and descending the shaft, lunch, etc., is included.

Mine operators and union agree that some mines already recognize the principle of seniority in any layoffs. This is one of the minor issues at stake, it appears. No general statement on holidays with pay has yet been made by mine operators. Macassa at present gives two weeks' holidays with pay after a certain period of service.

Supplementary Agreements

Besides wanting a master working agreement covering all mines in the district, the union is seeking supplementary agreements with each of 12 individual mines. Mine operators don't know what these supplementary agreements would cover, Mr. Harris states. As far as military service job return guarantee is concerned, Federal regulations already cover this point.

The hospital and medical plan involved in the final demand of the union is stated to have been a sore spot with both parties since it was proposed some months ago.

Under the present plan men pay $2.75 monthly, the company 75 cents. Fees for single men are $1.75 a month by the employee and 75 cents monthly by the company. Although the present plan is extensive, there are some exceptions which operators say cannot be covered unless fees are increased. Union officials say the extension can be made without higher fees.

Slowdown Claimed

Mr. Harris says the operators have definite evidence of intimidation and intentional slowdown in some of the mines. Mr. McGuire replies. "Talk of slowdown is only a psychological effect the mine operators are trying to bring on themselves."

Some time ago it was proposed to check union membership against mine records to determine the truth of the claims of union membership. This proposal of the union conciliator M. S. Campbell, collapsed over a dispute as to what constituted a qualified member.

Aluminum Co. Boosts Power

Two new generators are being added to the Chute-a-Caron power plant of the Aluminum Power Co. on the Saguenay River, according to an official statement released by McNeely Dubose, of the Aluminum Co. of Canada Ltd. This confirms the story carried in The Financial Post on June 28.

These generators will increase capacity of the plant by 100,000 h.p. from its present capacity of 260,000 h.p. The first of the new generators will be installed by December of this year and the second by spring of 1942. "These Generators will be moved to our new Saguenay development now under way," said Mr. Dubose, "as soon as the plant is ready to house them. The purpose of this is to use quickly all available power so that aluminum production can go forward speedily to fill expanding war needs."

C. S. L. Head is President of U. S. Aid-Britain Fund

From Our Own Correspondent

NEW YORK.—William H. Coverdale, this city, has been elected president of the Maple Leaf Fund, Inc.

This is an American non-profit corporation, organized to solicit funds and material aid for the Canadian and British war effort. Its board of directors, sponsors and members are Americans with Canadian business affiliations or interested in the success of the British cause.

Officers re-elected were, John B. Howe and Lt.-Col. F. E. Gendron, as vice-presidents of the fund, Kenneth C. Bell, secretary, and W. Wallace Turnbull, treasurer.

Directors named were, Arthur Vining Davis, Aluminum Co. of America; Robert C. Stanley, International Nickel Co.; Edward Shearson, banker; Harry A. Guess, American Smelting & Refining Co.; A. J. L. Haskell, Bank of Montreal; Norman G. Hart, Royal Bank of Canada; Victor T. Goggin, S. Sloane Colt, Bankers Trust Co.; Harold Benjamin Clark, White, Weld & Co.; Walter H. Aldridge, Texas Gulf Sulphur Co.; I. C. Raymond Atkin, J. P. Morgan & Co., Inc.; Alan G. Goldsmith, Mead Corp.; Frank J. Humphrey and Louis W. Noel, bankers.

Mr. Coverdale succeeds Victor T. Goggin as president. He is president of Canada Steamship Lines, chairman of the board of the Seaboard Airline Railway, and a director of Postal Telegraph, the Republic Steel Corp. and the Montreal Trust Company.

Organized April, 1940, the Maple Leaf Fund has to date contributed over half a million dollars to Canada and Great Britain. The fund also collects, repairs and ships used clothing for sufferers in the bombed areas, magazines for use in transports and at naval bases, and helps support British children evacuated to Canada.

All the money and goods distributed by the fund to date have been sent to recognized relief agencies in Canada and Britain, all of which were first approved by the Department of State in Washington.

The Maple Leaf Fund maintains offices and work rooms at 601 Fifth Avenue.

Dominion Stores First Half Up

First six months of 1941 have resulted in operating profits for Dominion Stores Ltd., it is reported, in contrast with the first half of 1940 when there was an operating loss. Sales have been running substantially above 1940 levels, although the company has been operating 40 fewer retail outlets.

Twelve new "master markets" have been opened in the past six months in Ontario and Quebec, three of which are in Montreal.

At the annual meeting in March, President J. W. Horsey stated that sales for the first 12 weeks of the current year were up 5.2% for the Dominion system as a whole. Sales per store showed a gain of 21.2%, as a result of the programme of modernization and closing of less profitable units which has been carried on in the past few years.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	Offered by	Rate	Date	Amount	Price	Yield
Waterloo, Twp. of	June	Bank of Toronto	3%	20-yr. ser.	$47,000	....	3¼%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
United Assets	July		....	....	$120,000	....	....

Debenture Royalties covering United-B. A. No. 1 well.

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Gypsum, Lime Operations Stay High

Volume of business obtained in the current year by Gypsum, Lime & Alabastine, Canada, Ltd., is running substantially ahead of the corresponding period of last year, The Financial Post is told.

Present indications are that earnings will be sufficient this year to equal, or better, those of 1940 when the company reported 47 cents a share on its common. Last year itself was the best year Gypsum, Lime has had since 1930.

Tax liability is not yet clear but the above forecast allows for what appears to be the probable requirements.

All products are sharing in the encouraging developments. The mining, pulp and paper and steel industries take a large share of the company's output. All of these have been active this year, with consequent gains accruing to Gypsum, Lime & Alabastine.

Residential Market

Residential construction remains the most important single outlet for this company's products. Results here so far this year have been very satisfactory.

The government housing projects, undertaken by Wartime Housing Ltd. at various Canadian centres, is resulting in important business for Gypsum, Lime. Other residential building of the type requiring most gypsum products continues at a relatively high level. The Government has made it necessary to obtain a license before building any house costing more than $4,000 but it is understood that licenses are being issued where the applicant can demonstrate that a definite need exists for the project which he contemplates. This includes apartments.

Plant in Better Shape

Gypsum, Lime is not undertaking any major plant improvements this year, following a year in which a number of important projects have been completed. At Beachville, Ont., the producer gas plant built last year to replace a waning natural gas is proving quite satisfactory.

At Baddeck, N.S., where a new gypsum quarry was opened last year, the operation is said to be developing quite satisfactorily.

Position of shareholders of Gypsum, Lime appears governed by two considerations. Earnings have been improving steadily for the past seven years with prospects excellent for further gains this year.

Then there is the company's 5½% bond issue. There are still approximately $200,000 of arrears of sinking fund to care for, allowing for approximately $800,000 of these bonds now held by the company. The company has been making progress in overcoming the arrears piled up during the depression years, as well as diverting substantial sums to improvement of its plants. The bonds mature Mar. 1, 1948, and plans are already being laid for caring for this maturity at that time. With further plant improvements also desirable the conclusion is that no dividends are in prospect at least until all sinking fund arrears are provided and the company placed in a better position to anticipate the 1948 maturity.

R. C. Vaughan Heads C. N. R.

R. C. Vaughan becomes president of Canadian National Railway Co. and Canadian National (West Indies) Steamships, Ltd., succeeding S. J. Hungerford who has retired. Mr. Vaughan has been vice-president in charge of purchasing and store departments, and in the early stage of the war was head of the Defense Purchasing Board, which has since been suceeded by the Department of Munitions and Supply.

R. C. VAUGHAN

H. J. Symington, K.C., Montreal, now succeeds Mr. Hungerford as president of Trans-Canada Air Lines. Mr. Symington, who is Canada's Power Controller, has been a director of T. C. A. He is also chairman of the Abitibi Bondholders' Protective Committee, vice-president of Royal Securities Corp. and a director of numerous other companies.

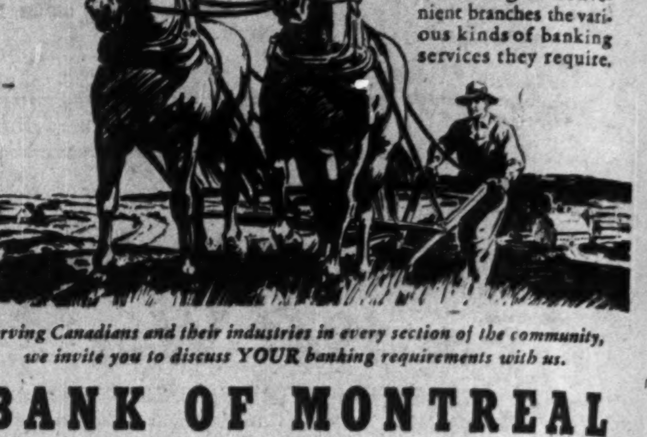
Public Utility Earnings

Southern Canada Power

June:	1941 $	1940 $
Gross earnings	248,141	225,944
Less: Oper. exps.	78,145	65,073
Taxes	56,680	45,146
Net earnings	113,316	115,725
Less: Int., deprec. & divds.	112,934	112,031
Surplus	382	3,694
Nine Mos. end June 30:		
Gross earnings	2,200,470	1,997,325
Less: Oper. exps.	826,870	617,709
Taxes	340,351	345,730
Net earnings	1,033,249	1,033,886
Less: Int., deprec. & divds.	1,013,250	1,006,162
Surplus	19,999	27,724

Bond Tenders

July 28, Village of Delhi, Ont.—$95,000, 3½%, 20-year installment.



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Eaton's Extend Bonus Plan In Line With P.C. 7440

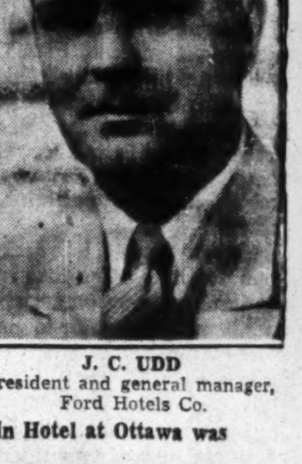
Affecting some 30,000 employees across Canada, The T. Eaton Co. has extended its cost-of-living bonus plan to conform with the Government's revised labor-wages policy.

Under the new plan, starting the first pay day in August, the company will pay a weekly bonus to all employees except executives, supervisors and others drawing salaries in the higher brackets. The bonus will amount to $2.50 a week for all full-time weekly employees, except women workers and men under 21 earning less than 50 cents an hour, who will get 10% of their weekly earnings.

This is precisely in line with the policy laid down by the Government by order-in-council, P.C. 7440, which calls for cost-of-living bonuses of $1.25 a week for each 5% rise in living costs since the war began. The policy recommends a bonus of 1% of weekly pay for every 1% rise in living costs for women and juvenile male workers whose wages are under 50 cents an hour.

The Eaton bonus will apply to all employees in offices, stores, factories and mail order units throughout Canada, with certain special exceptions. Hitherto the company has been paying a bonus of 5% of weekly pay.

REDVERSE F. PRATT
Manager, Lord Elgin Hotel.



J. C. UDD
President and general manager, Ford Hotels Co.

The new 400-roomed Lord Elgin Hotel at Ottawa was opened Saturday.

The Lord Elgin, a property of the Ford Hotels Co., cost $1.5 million, and has been constructed to provide modern and attractive accommodation at modest rates. The hotel design was conceived as an architectural contribution to the Ottawa city plan sponsored by the Dominion Government and civic authorities.

More than 225 employees are needed to run the Lord Elgin. The manager is Redverse Pratt, an ex-newspaperman of Ottawa, who was for some time Director of Publicity for the city, and in that way became keenly interested in campaigning for a hotel such as he now manages.

WEST-END DESIGNS

WEST-END Shirts -- 3.50

Men who know finer fabric appreciate the extra quality of West-End shirts. Rich broadcloths, woven expressly for Simpson's in Lancashire, England, in exclusive patterns and colors, as well as all-white. Collar attached or two separate collars. Each 3.50; 3 for $10.

Simpson's
AIR-COOLED STREET FLOOR

London Calling

By Atticus

Names for Baby — R. B. Bennett "Enjoys Company of Women and is Much Admired by Them" — War Widow Tells Parliament

LONDON.—To parents in the process of choosing a name for their son a moment's study of the recent honors list might be worth while. There is no question but that we are much influenced by our names in addition to those hoary twins, heredity and environment. For example, R. B. Bennett, now a viscount, was christened Richard, no doubt after the Crusader King. His second name "Bedford" completes the sense of forcefulness and rugged achievement. Sir Robert Gilbert Vansittart, a new peer, has names which suggest a sturdy knight riding into the lists. The Hon. Vincent Massey, honored with a Privy Councillorship, has a name which intimates a victorious derivation. In the long years that Mr. Vincent Massey has been High Commissioner for Canada it can be said that the regard for him as a man and his country's representative has grown steadily year after year. Professor Lindemann, who by-passes the Commons and goes to the Lords, is named after two famous conquerors, Frederick and Alexander. Norman Birkett, who became a knight, boasts William as his first name, which gives him a double affiliation with the Conqueror.

In fact these favored few might paraphrase Shakespeare and say: "The credit, dear Brutus, in in our names, not in ourselves." Except, of course, that neither they nor we would believe it.

* * *

Bennett and the Ladies

R. B. Bennett, the former Prime Minister of Canada, is a bachelor, which is a great pity, for he enjoys the company of women and is much admired by them. In his early days in Canada he used to carry a chapter of the Bible to be read during the day. His preference was for the Old Testament, which has deeply influenced his style of speech and his mode of thought. There is no halfway house in his mind and few neutral shades in his temperament. A saving grace of humor, which is apt to disappear on occasions, made him a martinet who could still command affection from his lieutenants.

Mr. Bennett, after retiring from Canadian politics in 1935, came here to live. Fortunately his health has so improved that he has taken an increasingly active part in our affairs, most recently in the Ministry of Aircraft Production and in touring the country to open war weapons weeks. For a time he thought of contesting a seat for the House of Commons, where his passionate and constructive Empire advocacy would have been both invaluable and unusual. As it is he will add importance and experience to the debates of the Upper House. Indeed, it may well prove that the advent of Richard Bedford Bennett into our legislative counsels is the first step in the creation of an Imperial Parliament.

* * *

Not Squelched

I am glad that Sir Philip Joubert has been made C.-in-C. of the Coastal Command. After becoming a broadcasting favorite he was suppressed for being too candid, and it was feared that his star had set. But this tall, handsome, vital officer—undoubtedly descended from d'Artagnan—could not be kept down for long. He has an inventive and original mind, a vivid imagination, a high sense of adventure, and no mean command of words.

Air Chief Marshal Frederick ("Ginger") Bowhill goes from the Coastal Command to an important liaison appointment in America. He is short, with bushy eyebrows and a strong, forthright personality which will impress the Americans. In war these changes are inevitable. Men must be shifted to where they will be of most service. I am sorry, though, for Air Chief Marshal Longmore, who has been so widely criticized in connection with Crete, whereas he had been recalled to this country before the fighting on the island commenced. Incidentally he was offered an important Governorship but elected to stay with the R.A.F.

* * *

Aircraft Production Chief

It is good news that Sir Charles Craven has been appointed Controller of Aircraft Production. He will be an admirable Chief of Staff to Colonel Moore-Brabazon. Sir Charles is big, breezy, strong as an ox, and really thinks that hard work is great fun.

Sir Charles, who was born fifty-seven years ago in Manchester, served during the last war in the Navy and then entered the engineering industry. As chairman and managing director of Vickers - Armstrong he kept munitions production alive in a period when many earnest publicists were trying to prove that armaments created war. Fortunately for us Sir Charles Craven and a few others believed the reverse to be the truth.

* * *

Three Good Things

Mr. Speaker is only human. When Mr. Churchill, after a bombardment of questions, rose to propose the suspension of the time limit on the day's proceedings the Speaker said, "Wait a minute!" So the Prime Minister sat down and the new member for Hornsey took his seat.

Mrs. Rathbone's maiden speech a couple of hours later was excellent. In an entirely feminine manner yet with great sincerity she said that the men in authority were doing foolish things that no sensible woman would approve. Her brave and handsome young husband who went so bravely to his death in the air would have been proud of her.

Finally Mr. Churchill's speech at St. James's Palace. Who could improve upon: "Hitler, with his tattered lackey Mussolini at his tail and Admiral Darlan frisking by his side, pretends to build out of hatred, appetite and racial assertion a new order for Europe."

These were three good things.

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Bell Telephone Adds to Facilities

Bell Telephone Co. of Canada announces commencement of work on a $1.3 million project to increase long distance telephone facilities between Montreal, Quebec City and the Maritime Provinces.

Principal part of the project is construction of a 35 mile telephone cable between Montreal and St. Pie, P.Q.

Work is now starting on erection of the cable between St. Hubert and St. Pie, with branches to St. Bruno and Beloeil.

Lay Submarine Cables

Submarine cables will conduct the lines beneath the Richelieu, Black and Yamaska Rivers.

The cables will be protected by the gas pressure testing system. Nitrogen gas under pressure will be pumped into the cable. If the lead sheath is punctured by any means and moisture penetrates the insulation, the falling pressure rings an alarm in the nearest telephone office, thus giving warning of the break. This part of the project will be completed July 1942.

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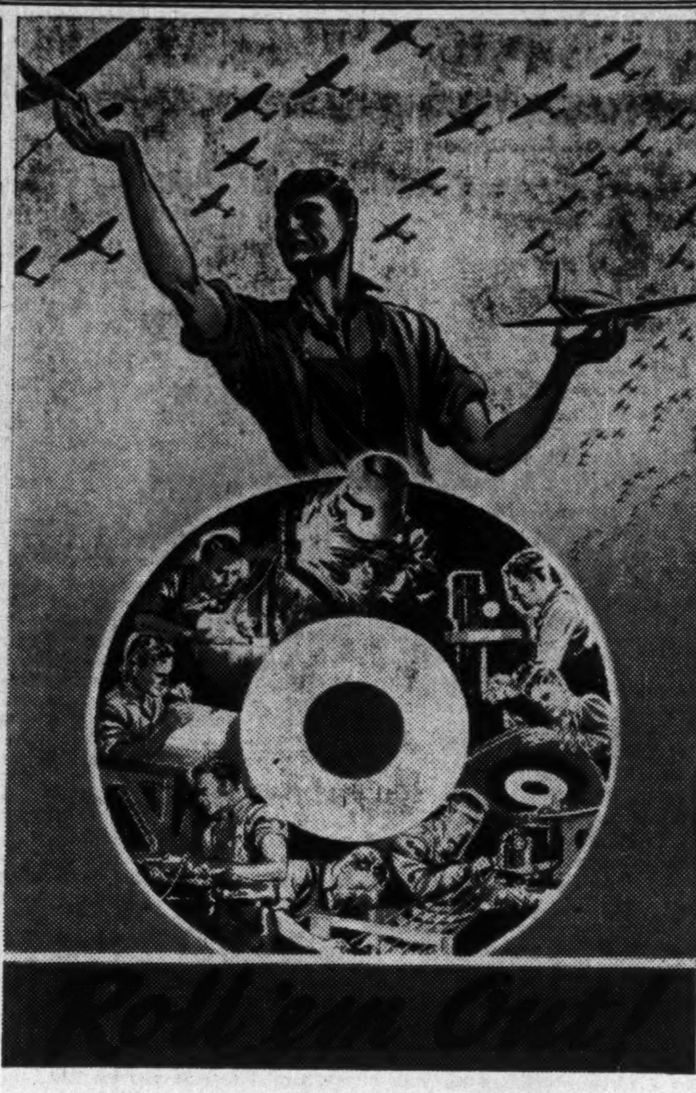

Newest in the series of posters designed to spur war workers in Canadian aircraft plants is this dramatic production which is donated by The Aluminum Co. of Canada, Ltd. This poster campaign has come to the attention of the Ministry of Aircraft Production in Britain and some 3,000 posters are now being distributed in English aircraft factories.

Points Out Red Tape Doesn't Build Tanks

Fresh from a year in Canada's war supply outpost in London, Réal Rousseau finds Canada's munitions impressive—but needing to be stepped up. It must be accelerated and expanded, he says, to meet the dire needs of both Britain and Canada.

Mr. Rousseau says the real root of the trouble lies in two main factors involving the driving spirit and top direction of Canada's war output. From his experience as an official of the Canadian supply branch in England, he cites these factors as:

1. Lack of a real war-conscious spirit in Canada, and failure to realize how critical and imminent is the threat of the war to Canada herself. Mr. Rousseau confesses himself appalled by the number of Canadians who "don't seem to realize there is a war on or what is going on along the war fronts."

2. An "almost treasonable" excess of red tape. To get things moving at any speed through wartime bureaucracy, says Mr. Rousseau, often requires well-nigh brutal emergency pressure.

Liaison Officer

Mr. Rousseau, former Montreal journalist, is official secretary of the London liaison office of Canada's Department of Munitions & Supply. He is serving with Charles A. Banks, noted Canadian developer of gold mines in New Guinea and Colombia, now the Department's chief liaison agent in England.

Their job is co-ordinating Britains' requirements and Britain's supply effort with Canadian production resources, as well as handling supply problems for Canada's armed forces abroad. The London office staff has now grown to 115 persons.

Having flown back to Canada in a British bomber plane—incidentally the one forced down at Charlottetown—Mr. Rousseau has just concluded a survey of war supply progress in both Canada and the United States. In addition to visiting a number of war plants and otherwise gaining a first hand insight into various phases of the production programme, he has conferred with officials and plant executives on problems that could best be cleared up by direct consultation.

In a special interview with The Financial Post before returning to England, Mr. Rousseau declared himself deeply concerned by failure of many Canadians to grasp the need for greater headway in Canada's war supply effort. He feels the scope and momentum of Canada's war output must be more rapidly increased to meet pressing, critical needs.

The need is for quantity production of all types of munitions, to get fresh supply projects swinging under way—not in the fall or next winter and spring, but right now.

Much has been done and great things achieved in Canada, Mr. Rousseau concedes, but in many fields, he believes, the pace is too slow. He told The Post:

"We haven't got time to do things at regular speed, in normal proportions, or by ordinary methods. We haven't got time because Hitler is not going to give it to us. The Nazis move fast, and we have got to move faster than they do to smash them.

Rules Don't Count

"When you are fighting gangsters like Hitler and his crew you have to use direct, streamlined, high-speed methods, and fight back as ruthlessly as they do. In a vital emergency with so much at stake rules and regulations and all the ins-and-outs of official procedure just don't count. You have to forget all that and deliver the goods.

"We won't win the war by hobbling ourselves in snarls of red tape. Hitler won't wait for us to untangle ourselves and settle down to the business of getting results. We have got to wake up and work harder than we ever did before, instead of thinking about red tape and what we are going to do after office hours. We can't beat thugs like the Nazis by fighting the war as gentlemen on a business-as-usual basis, smothered by red tape out of official rule books."

Mr. Rousseau pointed to the results achieved by Lord Beaverbrook when he slashed through red tape to speed aircraft production in England, when peak output was vital to Britain. The same sort of tough and courageous leadership, he insists, can bring about all-out production in other fields and deliver the tanks, shells, guns, bombs and other munitions to conquer for the democracies.

B. C. Coast Disappointed On Steel Scrap Mill

From Our Own Correspondent

VANCOUVER—With more than 25,000 tons of scrap steel and iron accumulating rust on Vancouver wharves, business interests who were hopeful that a plant would soon be established here to process the material for the shipbuilding industry were disappointed to learn this week that the project is in abeyance.

Calgary reports that Manitoba Rolling Mills, subsidiary of Dominion Bridge Co., will not transfer its machinery to the coast, after all, despite the statement to that effect made in the House of Commons more than a month ago by Hon. C. D. Howe.

The mill is now being reconditioned at Calgary and will soon go into production again.

Since an embargo was imposed on exports, scrap has been accumulating here fast, and with a dependable market established it is claimed that double the present supply could soon be brought out from interior logging camps, railway shops and other repositories.

Those who have studied the situation state that a mill to process scrap metal would be assured of a market for at least 40,000 tons of steel annually. The present shipbuilding programme on the coast would alone absorb more than 18,000 tons, and that figure does not include plates which would have to be brought in from mills in the east.

A west coast mill such as contemplated by Dominion Bridge would have made angles for the ship frames, however, and considerable material for engineering plants now engaged in making windlasses, winches and other ship equipment, as well as for the general construction trades.

Will Speed Output

Dominion Bridge Co. will not move its Calgary Rolling Mill to Vancouver as previously announced, according to an official statement of the Federal Government. The reason for the change in plan is the decision that work could be started at the present plant site more quickly.

Government officials say the decision to remain in Calgary was made by the company without influence from Ottawa. The government's position was that additional steel capacity was wanted as quickly as possible and apparently the company felt it would obtain production more rapidly by placing the plant in operation where it stood.

Keeping Posted . . .

By JOHN C. KIRKWOOD

About the radiolocator. The best brief explanation of how this device works appears in an article in Canadian Aviation. It is: "Enemy aircraft are discovered in the night sky by instruments which send out impulses; when these come into contact with a solid object in the air they rebound, giving location of the obstacle." Both Britain and Germany are working to perfect the instruments but it seems the RAF so far is winning this race.

* * *

Retail Selling

Calgary, with a population of 90,000, has a total of 1,008 retail stores. Their averaged sales are $44,000 per store. There is one store for every 90 local residents—this as against 65 for most Canadian cities. Retail men's wear stores in Calgary have averaged sales of $45,500 per store. "This fine record," says Men's Wear Merchandiser, "shows that the sales of men's and boys' wear increase faster than those of most other commodities."

* * *

How to Advertise

Here's a retail grocer telling manufacturers how to advertise. A grocer in Syracuse has this to say: "Perhaps there was a time when I was impressed with flashy pictures, and equally flashy copy. To my mind a great deal of advertising falls down because it isn't suited to the customer's needs. I would rather see an advertisement which contains a couple of recipes than half a dozen advertisements talking rosy cheeks, vitamins, and 'Be the Party Queen of your Neighborhood.' It's my business to know my customers, and I know that they want facts, and they aren't afraid of the truth."

* * *

Hitler's Trump

Hess was Hitler's last trump card, declares Douglas Reed in the August 1 issue of Maclean's Magazine, and it has failed. Reed has a huge following; what he says is widely quoted. He believes that Britain is to win the war, but this does not prevent him from criticizing British strategy. "Propaganda here is still in the childish stage," Reed asserts.

* * *

Rules for Vitamins

Food and drug advertisers have spent barrels of money in recent years to tell consumers about vitamins, and by so doing they have drawn the attention of Ottawa. Ottawa has issued regulations governing vitamin advertising and labelling. Now all drug and food manufacturers who advertise their vitamins or the vitamin content of their foods have to make their statement and claims conform to Ottawa's regulations.

* * *

Air Cadets

Canada has a new air service, The Air Cadets of Canada. Cadets will be given elementary training similar to the ground instruction in the established training and flying schools of the R.C.A.F. There will be a basic training covering two years. Subsequently the air cadets may specialize in aero engines, aircraft construction, air armaments, air navigation, aerial photography, and wireless. The object of the Air Cadets of Canada is to provide boys and young men with training and instruction similar to the elementary training of the Royal Canadian Air Force. Youths and their parents interested in this new junior air force will find a lot about it in the July issue of Canadian Aviation.

* * *

Smoked Turkey

An advertisement in the July Mayfair tells of a delicacy that few of us have, so far, enjoyed—smoked turkey. The turkeys selected for honoring by smoking are individually smoke-cooked over applewood embers. They are cooked to order. Customers must allow a reasonable amount of time for their turkey to be cooked, and are asked to specify the delivery date. The delivery price in Ontario and Quebec is $1.35 a lb.; and $1.50 for other provinces. The farm where the turkeys are prepared is near Waterloo, Ont.

* * *

Flax and Paint

Good old linseed oil! It has been used in the paint industry longer than any other drying oil, and is used in larger quantities. Its history goes back to antiquity. A thoroughly interesting and informative article on flax used in the making of linseed oil, is in the current issue of Hardware and Metal. It is by J. S. Moffat, manager, linseed oil mills, the Sherwin-Williams Co. of Canada.

* * *

$1.90 Garden Pool

A Vancouver woman wanted, intensely, a garden pool. "I wanted the tinkle of falling water. I had plenty of rocks from an old rockery. I made my waterfall." She made it at a cost of $1.90, and it has been a joy ever since. A detailed story of the way that this pool and waterfall were made is given in the July Canadiah Homes and Garden.

KEEP YOUR HOUSE COOL IN SUMMER!
SPUN ROCK WOOL HEAT COLD SOUND INSULATION
No chance for hot sun to bake the inside of your house when you insulate with Spun Rock Wool. Resilient, long fibred, fire-proof, vermin-proof, light, easily installed, insulating against sound, cold and heat. In bulk, batts, blankets and pipe covering.
Ask your architect — he knows.
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Distributors for Eastern Canada:
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CHICAGO — Three services daily. 4 hours, 34 minutes. Daily service to St. Louis, Oklahoma, Texas, California.
BOSTON—Five services daily. 3 hours, 45 minutes. Daily service to Hartford.
ROCHESTER — Twice daily to Rochester (1 hour, 33 minutes) and Syracuse (2 hours, 13 minutes).
WASHINGTON—Five services daily. 3 hours, 31 minutes. Daily service to Pittsburgh and Baltimore.

GOING			
Lv. Toronto	11:00 am	*4:20 pm	7:50 pm
Ar. Buffalo	11:37 am	4.57 pm	8:27 pm
Ar. Newark	—	—	10:30 pm
Ar. New York	1:52 pm	7:13 pm	10.55 pm
RETURNING			
Lv. New York	6:40 am	9:05 am	*4:05 pm
Lv. Newark	7:05 am	—	—
Lv. Buffalo	9:20 am	11:25 am	6:20 pm
Ar. Toronto	10:00 am	12.05 pm	7:00 pm

(Standard Time Shown)
COMPLIMENTARY MEALS SERVED ALOFT.
*Through service. No change of Planes.
For reservations, call your Travel Agent or Waverley 4661.
Ticket Office: Reford Bldg., 36 Wellington, West.
AMERICAN AIRLINES
ROUTE OF THE FLAGSHIPS

Giants of War are cradled in peace
When father and mother got all dressed up in duster-coats and goggles . . . when the youngsters could barely eat Sunday dinner in their anxiety to get started . . . when 20 m. p. h. was break-neck speed and a prayer for safe return began each 'drive'—that was motoring back in the early 1900's.
Then came more dependable motors—more dependable tires—better roads—and the automobile became a source of family pleasure and a boon to commercial transportation. Those were the functions of the peace-time 'gas buggy'. As new discoveries made many improvements possible—as new methods of production reduced costs, more and better cars came off assembly lines to be used in the pursuits of peace.
But like many another peace-time baby—the motor car has turned war-like. Lorries rush troops and supplies—trucks are loaded with shell and cannon—ambulances scurry along bomb-pocked roads. The Empire needs every motor vehicle it can obtain and Canada, fortunately, is well equipped to produce engines, bodies and parts. Hull Steel Foundries Limited is maintaining a steady flow of castings to motor manufacturers engaged in the production of Government requirements.
HULL STEEL FOUNDRIES LIMITED
HULL QUEBEC

Investment Trends

Stock Prices Hang At Testing Points

Canadians Are Puzzled by Reasons Given for Allegations Against Brazilian Traction — Market Hesitation Seen Likely

In recent trading there have been some further gains in stock prices here and in New York. Not large nor accompanied by important rise in sales volume, these changes have brought stock market indices well into the area generally regarded as critical.

For example, followers of the Dow theory have been waiting eagerly for the time when the railroad stock average could penetrate above the 30 level. Now it has managed to struggle moderately above this point although to date not far enough to be conclusive.

If various averages could once get through the levels where resistance stopped gains earlier this year, the weight of opinion holds that further moves would probably be toward higher prices.

In the meantime, there has still not been convincing evidence that stocks are quite ready to start an important upward move. Further hesitation seems more likely.

* * *

Brazilian Traction

Press reports of the Brazilian Government's tax claim against Brazilian Traction contains some very puzzling allegations. According to the reports, it is charged that Brazilian Traction inflated its foreign expenses by reckoning them at the official rate although the foreign exchange was acquired at the free rate.

Official rate on the milreis in New York is 6.06 cents, the free rate 5.10 cents. A company operating in Brazil would have to pay approximately 20 milreis to meet a $1 foreign debt if the money were bought on the free market, only 16 milreis if it were bought officially. The practice alleged against Brazilian would thus result in the company showing its foreign expenses at a figure 4 milreis on the dollar lower than was actually paid out. In other words, instead of inflating expense accounts, the Traction company would have shown its foreign expenses some 20% lower than the correct figure, according to the allegation.

Another point that appears puzzling is the statement that the company valued Brazilian Government bonds at less than par for tax purposes. In view of the current New York quotation of around 17, the writing down of bonds held by the company would appear vital to sound accounting practice. Even if the write-off were greater than market values would appear to justify, it is difficult to understand how this would affect the income from the bonds, which would appear at the actual amounts received, regardless of the valuation placed on the bonds themselves.

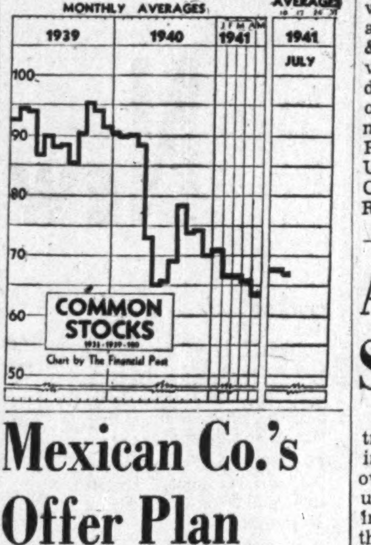

Chart by The Financial Post

Brazilian Tax Claim Entered

Back Taxes and Fines "Under Dispute for Many Years"

In an order dated July 17, the Brazilian Government claimed payment from Brazilian Traction and subsidiaries of 161,149 contos, approximately $8,057,450, for fines and unpaid taxes. According to the company, the claim refers to a dispute of many years standing. According to the official statement:

> "The matter has been the subject of much discussion and negotiations with the Government authorities, and it is anticipated that a settlement will be arrived at in the near future. . . . The dispute centres upon the question of proper construction of legislation, the companies contending that certain classes of items are properly deductible before tax."

The claim is calculated in contos (the conto is 1,000 milreis) and is payable in the money of Brazil, not affecting the company's foreign exchange holdings. A 20-day period is allowed for payment or appeal.

Working capital of Brazilian Traction, according to the balance sheet of Dec. 31, 1940, amounted to $25,812,453, roughly three times the amount claimed by the Government in full. Lowest working capital position of the company in recent years was in 1930 with $10.3 millions.

Prior to the announcement of the tax claim, Brazilian shares had strengthened on the expectation of an early dividend payment, based on the improving external trade of Brazil.

It is reported from Brazil that the Government claims that the companies did not pay taxes on payments to stockholders abroad, which are payable in Brazil before remittance of the funds; that the companies calculated expenses outside the country at the official milreis rate of exchange, although it is alleged money was obtained at the free rate; and that the company valued holdings of Government bonds at less than par for tax purposes.

Mexican Co.'s Offer Plan

Reorganization plan for Mexican Light & Power Co. and its subsidiary, Mexican Electric Light Co., presented this week, calls for extended maturities for the first mortgage bonds of the two companies, revision of sinking fund terms and placing of the second mortgage bonds of the parent company on a cumulative income basis. The plan will be considered at a meeting to be held Sept. 23, 1941, in Toronto. Principal changes recommended in the proposal are as follows:

1. Maturity date of the first mortgage bonds of both companies is extended to Feb. 1, 1950. Default of the Mexican Light & Power Co. on Feb. 1, 1940, is waived.
2. Interest on both first mortgage issues is to continue payable half yearly at the rate of 5% per annum.
3. Beginning in 1941, annual sinking fund payments of $120,000 for Mexican Light & Power, and $60,000 for the Electric Light Co. bonds are to be raised to a combined amount of $360,000, of which $90,000 is payable in any event, and the balance if earnings are sufficient. Sinking fund payments for 1940 are to be carried forward, $90,000 to be paid in 1941 in any event and $90,000 from first available earnings. The total amount of the sinking funds is to be divided two thirds to the Light & Power Co., one third to the Electric Light Co.
4. Second mortgage bonds, and debenture stock of the Mexican Light & Power Co. will be closed at the amount outstanding in the hands of the public. Interest on these bonds, including existing arrears from Dec. 1, 1938, will be payable only from earnings, but will be cumulative until Dec. 1, 1949. Thereafter current interest will become a fixed obligation; any arrears would continue to be payable from earnings, and the unpaid balance, if any, would fall due at maturity.
5. Sinking fund on the second mortgage bonds will be altered to be payable from earnings.
6. Commencing with the earnings of 1940, annual earnings shall be made available in each separate year as follows:

Settlement of the 1940 sinking fund on the first mortgage bonds, a single payment, not recurring annually; an annual amount of $180,000 plus any arrears thereof as further sinking fund for the first mortgage issues; payment of interest on the second mortgage; annual amount of $90,000 plus any arrears thereof as further sinking fund on the first mortgages; a sum not exceeding $250,000 for capital expenditures, as determined by the directors to be necessary; an annual amount of £39,000 plus any arrears as sinking fund for the second mortgage; interest up to 6% in any one year on the income debenture stock of Mexican Light & Power; any balance to go to capital expenditures, additional sinking funds, payment of income interest arrears and sinking fund on the income debenture stock.

The plan will become effective if approved by holders of the first and second mortgage and income bonds of the Light & Power Co., the first mortgage bondholders of the Electric Light Co. It is stated that it already has the approval of the trustees for the bondholders, and of a committee set up in England to represent various holders of the bonds.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg., mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.7
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.3	51.6	110.6	96.8	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	[illegible]	62.2	89.7	68.2	65.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
Weekly Figures:												
July 17 ..	75.5	65.8	66.6	47.9	104.4	88.8	93.7	76.4	65.7	89.7	70.3	66.6

*High and low for year from 1929 to 1940 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 22	92.14	102.22	66.02	19.25
July 21	92.00	101.18	65.41	19.18
July 19	91.32	100.72	64.96	19.27
July 18	91.92	101.04	65.16	19.27
July 17	91.78	101.03	65.10	19.32
July 16	91.99	101.99	66.28	19.20
Month ago ..	88.13	98.09	62.73	17.37
Year ago	90.80	85.60	59.61	19.97
High 1941 ...	103.48	109.76	69.33	21.62
Low 1941 ...	85.85	95.68	59.30	16.73

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
July 22	45.6	58.7	54.3	69.84	71.25
July 21	45.5	58.7	54.3	68.56	70.97
July 19	45.4	58.1	53.8	65.60	70.77
July 18	45.7	58.3	54.1	67.75	70.74
July 17	46.0	58.3	54.2	68.56	70.74
July 16	46.5	58.5	54.5	69.28	71.04
Month ago .	44.3	55.4	51.7	60.92	69.79
Year ago ..	53.6	58.4	56.8	74.54	61.32
High 1941 ..	54.3	66.4	62.3	82.25	79.99
Low 1941 ..	42.1	52.3	49.3	62.96	67.28

UNIVERSITY TREAS.

The Board of Regents of Victoria University has appointed Edward William Bickle as treasurer of Victoria University and chairman of the finance committee. In these offices he succeeds John A. Rowland, K.C., who recently resigned. Mr. Bickle is a member of the firm of Wills, Bickle & Co., investment dealers. He is vice-president of Maple Leaf Gardens, Ltd., had a distinguished record in the last war and has given much time to community affairs. Predecessor treasurers of Victoria University include Hon. George A. Cox, W. E. Rundle and John A. Rowland.

Algoma Road Shows Gain

Annual figures for Algoma Central & Hudson Bay Railway show an increase in gross receipts of 37% over 1939, with passenger revenues up 20% and revenue ton miles gaining 41%. Iron ore shipments, with the Helen Mine in full operation, rose to 407,063 tons against 121,191 tons in 1939. Shipments for 1941 are estimated at 450,000 tons, according to E. B. Barber, president.

Operating expenditures were higher in 1940, with maintenance of way and structures calling for $114,700 more than in 1939, due to heavier expenditures in track material, ballasting and roadway buildings, and docks. Equipment expenditures advanced $119,577, principally for locomotive and freight car repairs on account of higher traffic and deferred maintenance.

Capital expenditures during 1940 included $295,293 for the steamer "Algoway," raising the steamship fleet to five vessels; an additional telephone dispatching unit cost $33,848; a coaling plant at Brient absorbed $15,391, and various other capital items brought the total to $375,358.

Heavy expenditures were made during the year to freight cars to comply with regulations now in effect, and this work will be carried on through 1941. More freight cars will also be required to take care of new business and capital expenditures for 1941 will be considerable, according to the president.

Increases in wages ranging from 5 to 8% came into effect Jan. 1, 1940, and on Nov. 1, 1940, further increases of from 3 to 7% were reached as a result of amicable negotiations. The increase in operating expenses will be substantial, and can only be offset by increased volume of traffic and improvement and economies in operation, the president states. Financial record of the company is covered elsewhere in The Financial Post.

Internat'l Utilities Gets New Head

Resignation of P. M. Chandler as president and chairman of the board of International Utilities Corp., and his succession by William Yeager, a former official of the Reconstruction Finance Corp., is announced.

Mr. Chandler's management of the holding company had been criticized by the Securities and Exchange Commission in recent months. Refusing to renew exemption of the corporation under the Public Utilities Holding Company Act, the Commission outlined a number of transactions in which Mr. Chandler and associates were stated to have made large profits and fees as a result of their connection with the utility.

Mr. Yeager has announced that a programme of rigid economy has been drawn up with the object of reducing normal operating costs of the subsidiaries by 30%.

Prior to the change in presidency, the S.E.C. had called a hearing at Washington, Aug. 6, 1941, to investigate the question of altering the voting power of the several classes of International Utilities stock, and of re-arranging capital structure on less complex lines.

S.E.C. Order

In presenting its order, the S. E. C. pointed out that 89% of the voting control of the company is vested in the Class B stock, although after allowing liquidating claims of prior securities, the Class B stock was $1.7 million short of having an equity in the company.

Arguments will be heard as to why holders of Class B stock should not be restricted to the election of a single director, the balance of electoral power going to the other three classes of stock, each with the right to elect a fixed number of directors. Following consideration of these matters, enquiry will be held into what further steps International Utilities should take to remove the "undue and unnecessary complications of its corporate structure"; what further steps are necessary to ensure equitable distribution of voting power, and what action should be taken to comply with Section 11 (b) (2) of the Public Utility Holding Company Act of 1935.

In connection with the proposed quarterly dividend of 87½ cents per share on the $3.50 preferred stock, the S. E. C. has notified interested persons that requests for a hearing on the proposed payment may be made in writing not later than July 25, 1941.

All-out Defense Effort Still Long Way Off

The following forceful challenge for a really serious war effort is reprinted from The Herald-American, Chicago. It appeared in the column of the financial editor, Robert P. Vanderpoel.

At the time of Munich most Americans were shocked that Britain and France were so unprepared that they found it necessary to sell Czechoslovakia down the river.

After Munich, Great Britain and France began desperately to arm, yet when war broke nearly 15 months later both nations were still grievously unprepared. At this, too, Americans were shocked.

Why were these countries so slow to recognize the menace that France proved an easy victim of conquest and England was saved only by its mighty navy and an inspired air force?

For nearly 15 months now the United States has been arming and today the wealthiest country in the world, the most powerful industrial nation, is still only pitifully armed.

Why? The obvious answer, it appears to us, is because like France, until it was too late, like Britain until France went under, our efforts have been but half hearted.

Many Give All

Many men are giving their all. The President himself, and his many advisers, the navy, the army, including the draftees, have been giving full measure, as have a great many men in private business, industrialists who have been working night and day, expanding their plants, pushing production.

But what of the rest of us? We have not been giving nor have we been asked to give an all-out effort.

Too many of us have been engaging in mad spending orgies, trying to make up for the buying we should have done in the years past or trying to beat the price advances which we pretend to see in the months or years ahead.

Let us be more specific.

Waiting Around

Transportation threatens to be one of the bottlenecks delaying defense accomplishment. Ralph Budd, transportation commissioner of the advisory committee of the Council of National Defense, revealed here this week that the average freight car is "rolling" only about 10% of the time. The rest of the time, 90%, it is waiting around for someone to do something to it—load it, unload it, switch it or just plain move it. Loading or unloading is done only five, sometimes only four days a week.

When the enemy is knocking at the door, a 10% freight car does not represent a serious all-out effort.

Those who have read Mein Kampf (and if there is any American who hasn't, he should be ashamed) must have been impressed with the emphasis that Hitler placed on all-out effort—totalitarian war.

When Hitler strikes, he strikes with everything he has and on that basis he has gone through Europe like a tornado through Kansas.

Not Far Away

America is not far away.

The time is growing shorter and shorter.

Yet we are working 40 and 36 hour weeks.

Congress is engaging in an endless debate, the sort of "talk talk" that Hitler promises will carry democracy down into ruins.

The farmers want $2 wheat and $1.50 corn, the workers want higher pay and time-and-one-half, the industrialists want juicy profits, the wealthy scheme to escape taxes, management arranges to cut itself in on juicy defense profits and most of us go about living our lives as comfortably and unperturbed as though no danger existed.

Shawinigan Net is Higher

Continuing Demand For Primary Power Reflected in Half-yearly Report

From Our Own Correspondent

MONTREAL—Further expansion in the demand for primary power is reflected in operating revenues of Shawinigan Water & Power Co. for the first half of 1941. During the past six months gross revenue amounted to $9.3 millions, as against less than $8.1 millions for the like period of 1940.

Net profit for the first half of 1941 amounted to $1,928,163 before income and excess profits taxes. This contrasts with $1,638,295 on the same basis in the corresponding period of 1940.

General expenses during the past half year increased by nearly $900,000. The principal change was an increase in cost of purchased power from $957,915 to $1,642,867.

Comparative figures on revenue and expenses for the six months ended June 30, 1941, with comparative figures for 1940, follow:

Six Months Ended June 30	1941 $	1940 $
Gross revenue	9,302,412	8,065,652
Expenses:		
General, oper. and maintenance	1,923,388	1,726,820
Power purchased ..	1,642,867	957,915
Water rentals	231,899	235,271
Taxes	545,938	547,149
Net revenue	4,958,320	4,598,497
Fixed charges	1,897,367	1,928,753
Exchange	132,790	131,449
	2,928,163	2,538,295
Prov. for deprec.	1,000,000	900,000
Net profit subject to income & E. P. tax.	1,928,163	1,638,295

Skelly Elected Member Commodity Exchange

Arnold Skelly has been elected a member of the Canadian Commodity Exchange. Mr. Skelly is a partner in the firm of A. M. Kidder & Co., and is co-manager of their Montreal office. He is also a member of the Montreal Curb Market.

Notice to Holders of Debentures and Creditors of:

The (Former) Separate School Board of the City of Windsor.

The (Former) Separate School Board of the City of East Windsor.

The (Former) Separate School Board of the Town of Sandwich.

Notice is hereby given that a cash distribution has been ordered by the **Trustees of the Roman Catholic Separate School Board of the City of Windsor** through its Fiscal Agent, Guaranty Trust Company of Canada, as follows:

(a) To Debenture holders and creditors of the former Separate School Board of the City of Windsor 4.66% of the outstanding principal.

(b) To Debenture holders and creditors of the former Separate School Board of the City of East Windsor 11.79% of the outstanding principal.

(c) To Debenture holders and creditors of the former Separate School Board of the Town of Sandwich 8.07% of the outstanding principal.

Debenture holders are requested to forward their debentures to the Fiscal Agent.

GUARANTY TRUST
COMPANY OF CANADA
70 Richmond Street West
Toronto, Ontario.

accompanied by Letters of Transmittal which may be obtained at the Toronto, Windsor or Niagara Falls Office of the Guaranty Trust Company of Canada, in order that they may receive their share in this distribution, afterwards the debentures will be returned to the holders of the same by the Fiscal Agent.

DATED this 21st day of July, 1941.

GUARANTY TRUST COMPANY OF CANADA,
Fiscal Agent.

Algoma Steel Sets Record

Plant Additions This Year to Add 12½% to Canada's Capacity

Last year Algoma Steel Corp. spent $719,833 on plant and equipment, of which $350,941 was provided from blast furnace rebuilding and relining reserves. This sum was spent on completion of a benzol refining plant and the rebuilding of No. 4 blast furnace and equipping it with modern gas cleaners.

SIR JAMES DUNN

This year the company is installing a 44-in. blooming mill and a 25-in. continuous billet mill, through arrangements with Ottawa. These mills will increase the company's rolled steel capacity, making it equal to its steel melting capacity where a shortage of 250,000 tons formerly existed. Measured by its addition to Canada's rolled steel capacity, Sir James Dunn, president and chairman, states this addition will add about 12½% and will further diversify the company's production.

The new mills are expected to be completed and ready to operate in Feb., 1, 1942.

Algoma Ore Properties Ltd., the wholly-owned subsidiary which owns and operates the Helen mine, produced and shipped 387,676 tons of sintered ore last year. Of this 233,715 tons were sold to U. S. buyers and 153,901 tons used in Algoma Steel's own furnaces. For this year, it is expected that 450,000 tons will be the production of sintered ore.

Last year $279,119 was spent on extensions and additions to the mine and sintering plant. Algoma Ore Properties repaid $409,100 of the parent company's loan.

The aerial tramway has been redesigned and constructed by American Steel & Wire Co. and is now working satisfactorily, states Sir James. The sintering plant is now producing at the rate of 2,180 tons daily compared with its estimated capacity of 1,500 tons.

Market Opinions

Suggestions that hesitation may appear in stock markets is emphasized in comment this week.

Barrons, N.Y. (The Trader)—In only a few cases have stocks in the past week or so responded to good news, indicating a fresh accession of trepidation on the part of thousands of potential buyers upon the attainment of the spring highs. Buying has continued scattered. It is quite possible, then, that a period of readjustment is in the making, of which the first signs would be a breakout of some group on the downside. Hesitation or weakness, however, are merely a part of the backing and filling incidental to a long period of accumulation now in its fourteenth month.

* * *

Barron's N.Y. (The Dow Theorist)—While the Dow-Jones average of 30 industrials last week continued its course into new high ground for the rally and now 2½ months old, the rails rather signally failed to get through the April top of 29.75. Should the rails get effectively through the 30 level, which has been their ceiling since last September, with accompanying new highs in the industrials, the bullish significance would be very great.

* * *

The Economist, London (June 28)
The outstanding fact in the reaction of the investing public to the invasion of Russia is that it has not, as have other extensions of hostilities, resulted in stagnation. The volume of business has been appreciably reduced, but there were signs before the Russian situation became acute that activity had reached a temporary maximum. With minor exceptions, demand continues to be highly selective and the spread in yields between the market favorites in any industry and the less well-known, or less uniformly successful, members of that industry, continues to widen. In fact, the reduction of yield margins stops short at the point where neither the size of the concern nor a really excellent record has attracted public interest in the past. Excellent results now are clearly an unreliable guide to the long term outlook, but it will not be surprising if an early development is the acceptance of little known shares with a good record carrying high yields, despite a possible severe limitation on their marketability.

* * *

Brookmire Counselor, N.Y.—The first batches of earnings covering the second quarter tend to confirm earlier indications of gains for the same period of last year. In some instances the increases are sizeable—despite liberal provisions for taxes. The foreign picture, however, remains obscure; and more specific reports are awaited to tell what will be the outcome after the repercussions of the Japanese cabinet shake-up, as well as the huge battle under way in Russia. The recent rally in stocks has been meeting resistance; and the character of foreign news in particular will influence short-term movements.

OFFER EXCHANGE SEAT

Bids are being asked for the seat on the Toronto Stock Exchange held by the dissolved brokerage firm of Bowcock, Hackett and Morgan up to noon on July 28, 1941. The offering is being made by J. J. Hackett, managing partner, for the purpose of liquidating the assets of the former brokerage firm.

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He will tell you all about the "50/50" Pledge to cut your gas consumption by fifty per cent. He will invite you to sign. This proud and patriotic sticker for your car will mark you as a member of the wise and thoughtful band of car owners co-operating with the Government to save gasoline.

This is entirely a voluntary movement. It is not rationing. This the Government hopes to avert. But we are faced with a critical shortage of gasoline due to the diversion of tankers for overseas service and to the growing needs of our Fighting Forces.

There is no call for panic—no need for alarm—but this war is being fought with gasoline and we are fighting for our very lives. Sign the Pledge today and continue to save fifty per cent of your gasoline consumption.

It is also vitally important that you reduce the use of domestic and commercial fuel oil.

REMEMBER: The slower you drive, the more you save!

The Government of the DOMINION OF CANADA
Acting through
THE HONOURABLE C. D. HOWE, Minister of Munitions and Supply
G. R. COTTRELLE, Oil Controller for Canada

17 easy ways towards a 50% GASOLINE SAVING
(Approved by Automobile Experts)
Reduce driving speed from 60 to 40 on the open road.
Avoid jack-rabbit starts.
Avoid useless or non-essential driving.
Turn motor off when not in use; do not leave idling.
Don't race your engine; let it warm up slowly.
Don't strain your engine; change gears.
Keep carburetor cleaned and properly adjusted.
Tune up motor, timing, etc.
Keep spark plugs and valves clean.
Check cooling system; overheating wastes gasoline.
Maintain tires at right pressure.
Lubricate efficiently; worn engines waste gasoline.
Drive in groups to and from work, using cars alternate days.
For golf, picnics and other outings, use one car instead of four.
Take those short shopping trips ON FOOT and carry parcels home.
Walk to and from the movies.
Boat owners, too, can help by reducing speed.
Your regular service station man will gladly explain these and other ways of saving gasoline. Consult him.
GO 50 50 WITH OUR FIGHTING FORCES

I Pledge myself to go 50/50 with our Fighting Forces by reducing my gasoline consumption by 50%
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Bond Markets

Trading Base Develops Behind Idle Market

Gains of 10 Points in Lower Priced Issues May Bring Increased Trading Volume — Would Aid in Placing Victory Loan

Since the beginning of the Victory Loan campaign, inactive bond markets have been taken for granted. After the loan closed, many investment dealers concentrated staff vacations in July, leaving the market a month or so to digest the heavy loan purchases. It was known that new offerings and new money to buy them would be scarce, many large investors having completed their year's buying in June.

But judging from the course of bond prices since the beginning of the year, there appear to be a number of situations where profitable trading might develop. In view of the difficulty of maintaining investment income at adequate levels under present conditions, action on some of these price changes would appear to be a necessity.

Changing Price Picture

The most pronounced changes since the beginning of the year have been in the lower priced issues. Burns & Co. 5's are up about 7 points; Canada Steamships 5's up 3; Canadan Vickers up 5; Eastern Dairies 6's up 4 and Gurney Foundry up 3. Mercury Mills 5's have gained 3 points, the new M. & O.'s about 10 points, and Western Grain 6's are 10 points higher.

Biggest loss since the end of 1940 appears to be International Hydro-Electric 6's of 1944 which have dropped 12 points. The general toning down of pulp and paper issues has taken 8 points off the Lake St. John seconds and some 6 points off the firsts.

In the municipal field, the bonds of Eastview, Essex and Hawkesbury all show 10-point gains, the first two apparently as a result of the temporary financial plans which have been effected.

Although the changes in the lower priced issues are the most noticeable, with gains more common than losses, price changes of a point or two are general throughout the higher grade sections.

• • •

Aid to Digestion

Many of these changes have taken place on very small trading volume, and it is possible that some of the values might not stand up under more active business. But the basis for portfolio changes exists and it would appear in the interests of investors as well as dealers to take advantage of them.

More active markets would also aid in the "digestion" of the Victory Loan. The amount of the Loan coming back on the market is reported to be much smaller proportionately than in earlier loans, partly because industry was in a better position to make lasting investments than it was when previous loans were offered in the expansion stages of the war effort. Some offerings of the loan are, however, unavoidable, and dealers report that these are being taken up partly by reason of the rise in price in other sections of the market.

• • •

Canada Bread Bonds Go

The 6% first mortgage bonds of Canada Bread Co., which have been a steady source of investment income for the past 30 years, will disappear from bond lists on Aug. 1. No new Canada Bread issue will take their place, as the maturity is being met in cash. Any financing needed to maintain the level of liquid assets is to be done by short term bank borrowings.

To be redeemed at the first of the month is a total of $528,700, out of an original issue in 1911 of $1,250,000. When C. H. Carlisle became president of the company in 1933, the amount outstanding totalled $987,300. In recent years, interest charges on the bonds have run about $34,000 and higher, equal to about 14% of the net profits of the June 30, 1940 fiscal year.

Reinvestment of the funds obtained from the redemption at a similar return without sacrifice of quality appears to be virtually impossible at present. On a recent A. E. Ames & Co. quotation sheet, 49 corporation bonds were listed, only seven of which afforded yields of 6% or better.

June War Bill Shows Decline

Off from May But Well Above Same Month in 1940

Canada's war bill in June was somewhat lower than the average of the preceding several months and well below peak outlay. Totalling $64.6 millions for the month it compares with $90 millions in May, and $39.8 millions in June, 1940.

Total war outlay for the first three months of the year, however, indicated increasing costs to Canadians of maintaining the army, navy and air force. In this period war expenditure amounted to $201.2 millions, an increase of $127.3 millions over the same period in 1940.

Revenue Nearly Double

June revenue totalled $85.3 millions which, while nearly double that for the same month last year, was materially below the May figure of $224.4 millions. In that month income tax collections helped receipts.

Every class of income was well up in June over the same month last year with the exception of customs collections. This has in the past couple of months shown the effect of the Government's policy to restrict imports for conservation of U. S. exchange.

C. N. Deficits Cut

The speed-up in the Dominion's transportation facilities was evident in the declining cost of government enterprises to Ottawa. There was $7.5 millions saved in June this year in comparison with June last year, principally on Canadian National Railways deficits. Relief works, etc., showing the effect of higher employment, dropped $2 millions to $445,000.

Revenue was up $166.5 millions in the first three months of the year to $388.1 millions, with betterment evident in all categories, except customs.

Expenditure amounted to $292.3 millions, against $176.4 millions.

Revenue and Expenditure
June

Revenue:	1941	1940	Change
	In $000's		
Customs	9,762	10,725	—963
Excise duties	8,373	6,881	+1,492
Excise, sales tax	32,794	16,467	+16,327
Income tax	29,446	5,697	+23,749
Post office	3,203	2,701	+501
Sundry	1,703	1,178	+525
Total	85,280	43,649	+41,631
Expenditure:			
Ordinary	24,600	23,702	+898
War	64,635	39,774	+24,861
Capital	177	229	—52
Relief works, etc.	445	2,438	—1,993
Govt. enterprises	65	7,581	—7,516
Sundry	11	7	+4
Total	89,933	73,731	+16,202
Deficit	4,653	30,082	

Three Months to June 30

Revenue:	1941	1940	Change
	In $000's		
Customs	30,617	31,636	—1,019
Excise duties	23,401	21,310	+2,091
Excise, sales tax	82,174	39,588	+42,586
Income tax	237,440	117,789	+119,651
Post office	9,511	8,205	+1,306
Sundry	4,997	3,133	+1,864
Total	388,140	221,661	+166,479
Expenditure:			
Ordinary	89,521	87,778	+1,743
War	201,184	73,849	+127,335
Capital	360	369	—9
Relief works, etc.	1,071	2,961	—1,890
Govt. enterprises	132	11,331	—11,199
Sundry	25	131	—106
Total	292,293	176,419	+115,874
Surplus	95,847	45,242	

Classified Advertisements

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POSITION open for a thoroughly qualified executive type Automobile Underwriter in a leading office. Only those capable of filling a senior position need apply. Position carries substantial salary to man with required qualifications. Box 96, The Financial Post, Toronto.

Abitibi Earned Less in June

Forecast Further Decline in July—6 Months Total Up

Earnings of Abitibi Power & Paper Co. in June this year, before depreciation, bond interest of $296,641 and income taxes, amounted to $718.109. This compares with $885,862 in June last year and $752,858 in May, 1941. Included in the June earnings is $136,606 received as premium on U. S. exchange.

Newsprint shipments in June, 1941, totalled 35,384 tons, as compared with 48,946 tons a year ago. Present indications are that July shipments of newsprint will approximate 35,500 tons compared with 46,168 tons in July last year. For the first six months of 1941 newsprint shipments have totalled 198,112 tons compared with 204,780 tons for the corresponding half of 1940.

Shipments of bleached sulphite pulp last month amounted to 7,220 tons. This compares with 6,658 tons in June, 1940. Present indications are that July pulp shipments will reach 8,200 tons compared with 7,472 tons in July last year. For the first six months of this year shipments of bleached sulphite pulp have totalled 40,014 tons against 35,947 tons for the corresponding half of 1940.

Monthly Earnings

	1941	1940
	$	$
January	476,993	447,776
February	517,915	389,594
March	687,529	383,152
April	695,728	525,116
May	752,858	817,459
June	718,109	885,862
Six months total	3,849,132	3,448,958

Foreign Exchange

During the week July 15 to July 21 there was no change in the quotation on the United States dollar at Toronto and Montreal which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

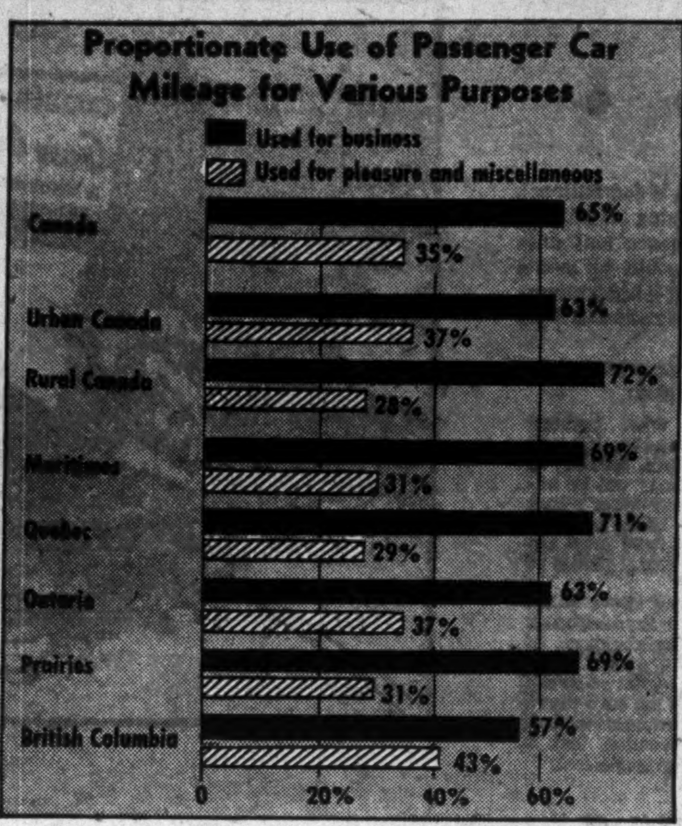
Other Currencies, July 21

Australia	3.58	N. Zealand	3.61
India	.3372	S. Africa	4.47
Japan	.2625	Hong Kong	.2750

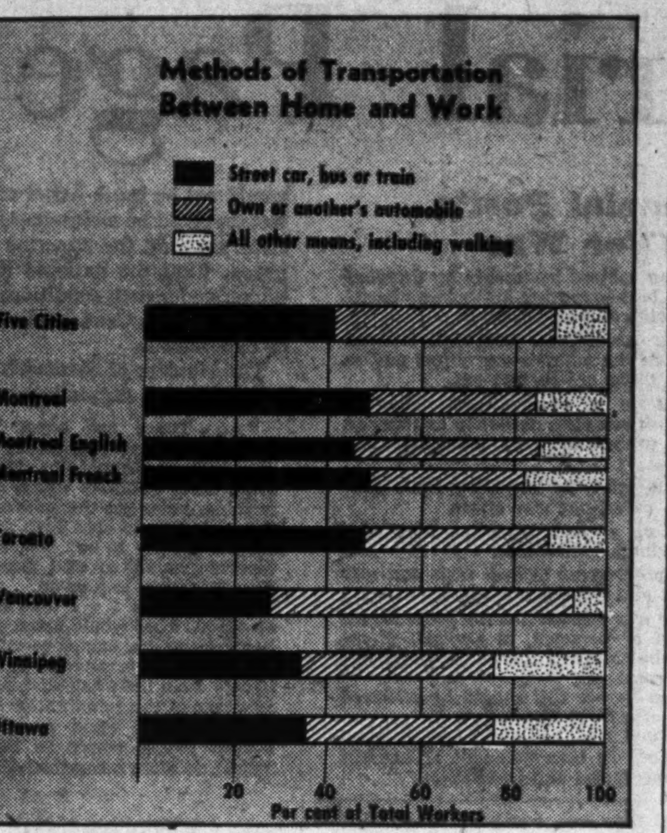
Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Victoria Realty	*6%	1948	Aug. 15	102½
Dom. Tel. Secs.	†5½%	1978	Aug. 2	par
Eastern Car	6%	1952	July 31	‡
Ontario Power	5%	1943	Aug. 1	•
Canada Bread	*6%	1941	Aug. 1	par
Mtl. Refrig.	■6%	1947	Dec. 1	par

Drawn by lot: †$5,200.
*All outstanding balance.
‡Tenders for $50,000. •$125,000.
■All outstanding balance. Company will purchase bonds prior to the redemption date at 102, including accrued interest.



Canada's motorists precipitated a crisis this year when they jumped gasoline consumption when curtailed transport facilities cut the supply by 25%. A survey made for Oil Controller G. R. Cottrelle shows that over one third of Canada's passenger automobile mileage is for pleasure and miscellaneous uses, with the city dwellers the worst offenders. Altogether about 50% of passenger car use is termed "non-essential" and it is at this 50% that the voluntary curtailment plan is aimed.



Elimination of the automobile as a means of transportation would approximately double the load on the transportation systems of five Canadian cities, according to a survey made for the Oil Controller. The range would be from 76% in Montreal to 240% for Vancouver. As the chart above shows, more Vancouver workers come to their jobs in their own cars than in the other Canadian cities. Almost 91% of workers live within half a mile of public transport facilities.

Company Reports

Standard Fuel

Standard Fuel Co. reports tonnage of fuels sold in the year ended April 30, 1941, moderately higher than in the previous year. Sales of bituminous coal showed slight decline. Supplies of smaller sizes of Welsh coal were insufficient to meet the demand and customers were forced to turn to other types of fuel.

Any forecast of operations for the current year is complicated by the fact that supplies of certain fuels are difficult to obtain, states K. R. Marshall, president.

Operating earnings last year showed a gain, reflecting the higher tonnage sold. Net profits, however, were equivalent to $5.01 a share on the 6½% preferred compared with $5.33 a share for the preceding year. Dividends of $4 a share were paid, leaving arrears at $4.37½ a share as at April 30.

Consol. Income and Surplus Account
Years Ended Apr. 30

	1941	1940
	$	$
Oper. profit*	155,606	131,088
Add: Invest. income	5,104	5,102
Net earnings	160,710	136,190
Less: Deprec. & obsolescence	46,170	39,181
Tax provision	51,690	30,238
Directors' fees	2,250	2,187
Expenses w/o	......	1,399
Net profit	60,600	63,185
Less: Pref. divds.	47,440	54,853
Surplus for year	13,160	8,332
Add: Prev. surplus	218,223	209,891
Earned surplus fwd.	231,383	218,223
*After exec. salaries.		
Earned per Share:		
Preferred	$5.01	$5.33
Paid	4.00	4.62½
Shares O/s.:		
Preferred, $100 par	11,860	11,860
Common, n.p.v.	50,000	50,000
Working Capital		
	$	$
Current assets	1,096,826	1,097,056
Current liabilities	266,872	267,340
Working capital	829,954	829,716

Can. Wirebound Boxes

Canadian Wirebound Boxes Ltd. reports a substantial gain in net earnings for the year ended April 30, 1941. Much higher taxes and depreciation, however, more than offset this with the result that net profits are equivalent to $1.96 a share on the class A stock compared with $2.12 a share for the preceding year. In each case this is calculated before allowing for participation with the class B. After payment of $1.50 a share, arrears on the class A amounted to $2.25 a share at April 30. This has since been reduced to $2.12½ by payments made July 2.

A. M. Dunn, president, reports that increasing business forced the company to acquire property adjoining its Toronto plant and to start a programme of plant rehabilitation. This expansion programme is expected to be largely completed during the current year.

Current assets show cash more than doubled at $144,073. Both receivables and inventories are also substantially higher.

Consol. Income and Surplus Account
Years Ended Apr. 30

	1941	1940
	$	$
Net earnings	292,730	204,249
Less: Depreciation	81,140	62,167
Income & E. P. tax.	100,461	22,465
Net profit	111,129	119,617
Less: Class A divds.	76,373	76,878
Spec. surplus acct.	11,113	11,447
Surplus for year	23,643	31,292
Add: Prev. surplus	200,667	174,518
Less: Tax adjustments	......	1,332
Loss on equip.	......	3,686
Adj. bonds to mkt.	......	125
Earned surplus fwd.	224,310	200,667
Earned per Share:		
Class A*	$1.96	$2.12
Paid	1.50	1.50
*Before participation with class B.		
Shares O/s:		
Class A, n.p.v.	50,915	50,915
Class B, n.p.v.	40,000	40,000
Working Capital		
	$	$
Current assets	673,484	462,345
Current liabilities	292,393	153,595
Working capital	381,091	308,750

Neon Products

Neon Products of Western Canada Ltd. reports a substantial gain in gross revenues for the year ended April 30, 1941. As a result of higher taxes and other costs, however, net profits are reduced slightly, being equivalent to $1.14 a share on the ordinary shares compared with $1.24 for the preceding year. Dividends paid for each year on this stock were 60 cents a share.

G. W. Sweny, managing director, explains the company's working capital position, which shows an excess of current liabilities of $115,831 over current assets. Neon signs at cost, shown at $392,441, are not included among current assets. "This figure," he says, "represents the cost of assets which have been constructed on firm orders and which are in process of liquidation every month, the contracts for which represent the future revenue of the company. The liquidation is being offset each month by new contracts."

He goes on to discuss the bank loan of $64,000 which appears among current liabilities. "The heavy bank loan is necessary to finance excessively heavy work in process. If sales were to drop, the amount of new construction would drop correspondingly, and this loan would liquidate very rapidly. This happened during the depression. As production improves, the capital investment in 'signs on rental' increases correspondingly, but so also does the assured monthly revenue of the company."

Consol. Income and Surplus Account
Years Ended Apr. 30

	1941	1940
	$	$
Gross revenue	733,738	676,466
Less: Direct costs	393,029	356,181
Amortiz. of signs	195,459	187,226
Purch. money int.	1,137	1,787
Income & E. P. tax.	65,000	47,882
Amortiz. rights	4,500	4,500
Invest. deprec.	988	38
Net profit	73,625	78,852
Less: Pref. divds.	10,950	10,800
Ordiary divds.	32,902	32,902
Pref. s. f. approp.	3,443	3,972
Surplus for year	26,330	31,178
Add: Prev. surplus	126,308	95,130
Less: Prem. on pref. red.	16	......
Earned surplus fwd.	152,983	126,308
Earned per Share:		
Preference	$20.80	$21.90
Paid	3.00	3.00
Ordinary	1.14	1.24
Paid	0.60	0.60
Shares O/s.:		
Preference, $50 par	3,530	3,600
Ordinary, n.p.v.	54,836	54,836
Working Capital		
	$	$
Current assets	84,646	92,603
Current liabilities	200,477	215,785
Excess current liabs.	115,831	123,182

Note:—Expenditures in part charged to construction cost:

	$	$
Directors' fees	1,080	1,300
Legal fees & exps.	538	1,514
Executive remuner.	26,120	10,000
Deprec on assets other than signs	18,457	15,350
Real estate w/d	582	883

Algoma Central

Increase in total receipts of Algoma Central & Hudson Bay Railway Co. amounting to $721,000 is reported in the annual statement for 1940. Operating income after terminal rental current and accrued charges, taxes, depreciation and working expenses rose to $55,111, against a deficit of $102,610 in 1939.

During the year capital expenditures totalled $375,358, including purchase of the new steamer, "Algoway," which raised the number of steamers operated to five. Capital receipts from land grant totalled $19,378 in 1940.

The Helen Mine is stated to be in full operation and the railway carried 407,063 tons of iron ore in 1940, with 450,000 tons estimated for 1941.

Payment of coupons Nos. 1 and 2 on June 30 was authorized for the bonds of the subsidiary Algoma Central Terminals Ltd. The date for further interest payment has been postponed to Dec. 31, 1941.

Income and Deficit Account
Years Ended Dec. 31

	1940	1939
	$	$
Oper. rervenue	2,697,352	1,966,557
Less: Working exp.	2,299,544	1,730,379
Management exp.	103,459	87,556
Terminal rental	149,781	149,781
Int. on unpd. rental	68,650	61,161
Taxes	20,807	40,090
Oper. income	55,111	*102,610
Add: Invest. income	18,110	17,651
Land rentals	14,386	24,421
Less: Equip. note int.	......	640
Deprec. prior yr.	......	58,654
Net earnings	87,608	*119,832
Less: Debenture int.	515,425	515,425
Net loss	427,817	635,257
Add: Previous deficit	5,751,864	5,116,607
Deficit forward	6,179,681	5,751,864
Working Capital		
	$	$
Current assets	1,932,600	1,540,598
Current liabilities	7,936,052	6,955,352
Excess over assets	6,003,452	5,414,754

*Deficit.

Nanaimo-Duncan Earnings Increase

Nanaimo-Duncan Utilities reports further expansion in operating revenues for the current year, with net income affected by water shortage and a consequent greater outlay for purchased power.

Gross income to the end of February was 12% ahead of the like period of 1940, while net income available on the common stock, after all taxes, was up 25%.

Quebec Power Profits Expand

From Our Own Correspondent

MONTREAL—Consolidated earnings of Quebec Power Co. reflect greatly increased industrial and business activity in the territory served. For the six months ended June 30, 1941, gross revenue totalled $2.5 millions. This contrasts with $2.3 millions for the like period a year ago.

Net profits of the company for the past half year totalled $546,550 before income and excess profits taxes. This was after providing for higher operating expenses and an increase of about $52,000 in the reserve for depreciation. Comparative figure for the first half of 1940 was $505,688. The statement of revenue and expenses for the six months ended June 30, 1941, with comparative figures for 1940, follow:

Statement of Revenue and Expenses
Six Months Ended June 30

	1941	1940
	$	$
Gross revenue	2,505,857	2,311,615
Operation, taxes, etc.	1,501,694	1,397,158
	1,004,163	914,457
Fixed charges	248,390	251,134
	755,773	663,323
Depreciation	209,223	157,635
Net profit subject to income & E. P. tax.	546,550	505,688

W. C. Harris & Co. Ends Partnership

The stock brokerage and financial business of W. C. Harris & Co., carried on as a partnership in Toronto between W. C. Harris and A. M. Ramsay, has been dissolved, it is announced. This business will be carried on by W. C. Harris, under the name of W. C. Harris & Co.

Gas Saving Plan To Cut Income of Provinces

Dominion Restriction May Help Bring Provinces Into Line

Effect of gasoline rationing on provincial finances has been to revive the Ilsley offer to compensate for lost gasoline revenues as part of the proposed changes in Dominion-provincial fiscal relationships. On the part of Ontario, one of the leading abstainers from the Dominion plan, the problem has apparently brought a more co-operative attitude.

Promising full co-operation in the gasoline reduction, Premier Hepburn stated that the problem of surrendering personal income taxes was of minor importance to Ontario owing to the relatively small totals colected. "The big issue, of course," he said, "is the corporation tax, which is our main source of revenue. But if the Dominion can assure us that we will be reimbursed, so that we can maintain our services and obligations to the Ontario municipalities, we'll approach even that problem in a spirit of entire co-operation," Mr. Hepburn stated.

Figures for gasoline revenues of the provinces, together with the fact that consumption in the first half of 1941 is up 33 1/3% the Prairie Provinces and 18½% for he Dominion, show how badly provincial revenues would be hit by the proposed reduction in gasoline sales without Dominion compensation for the loss.

Important Revenue Source

More than 20% of the total provincial revenue from all sources in 1939 was derived from the gasoline tax. The nine provinces collected $53 millions in gasoline taxes in 1939—total revenue was $261.7 millions.

In relation to total revenue, gasoline revenue has remained relatively stable for the past several years, but because of higher buying power, considerable increase from this source had been expected.

(In $000's)

	Gasoline Tax	Total 1939 Current Revenue
P. E. I.	316	1,702
N. S.	2,587	11,307
N. B.	1,901	8,141
Quebec	10,737	64,241
Ontario	25,105	87,518
Manitoba	2,788	16,450
Saskatchewan	3,000	20,482
Alberta	3,097	19,937
British Columbia	3,455	31,933
Total	52,986	261,711

If the provinces accept the plan—to vacate the fields of personal and corporation income tax for the duration of war in return for certain compensations—they will be assured of revenue equivalent to the amounts collected from this tax by them in the year nearest Dec. 31, 1940.

If the provinces expect, however, that the appeal for voluntary curtailment might not cut private ... tion they have the word of Oil Controller Cottrelle compulsory ... ures will be adopted by Ottawa in the fall.

Possibility that the Dominion might move toward gasoline restrictions was first officially forecast last January. At the dying moments of the Dominion-provincial conference Finance Minister Ilsley told provincial delegates rationing of gasoline might be one of the steps Ottawa would be forced to take in conserving foreign exchange.

Three provinces, Ontario, Quebec and Alberta have yet to accept Mr. Ilsley's offer to turn over personal and corporation income taxes for the duration of war.

DOMINION SUCCESSION DUTIES

Dominion Succession Duty rates are roughly comparable with Provincial rates though probably somewhat lighter on the average. Will your estate have the ready money (or liquid assets) to pay both duties? And since this new Dominion tax will reduce the net value of your estate, how will this affect the principal beneficiaries under your Will?

• • •

Why not consult this Corporation on the practical problems raised by this increased taxation. You will incur no obligation.

Booklet sent on request.

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CORPORATION

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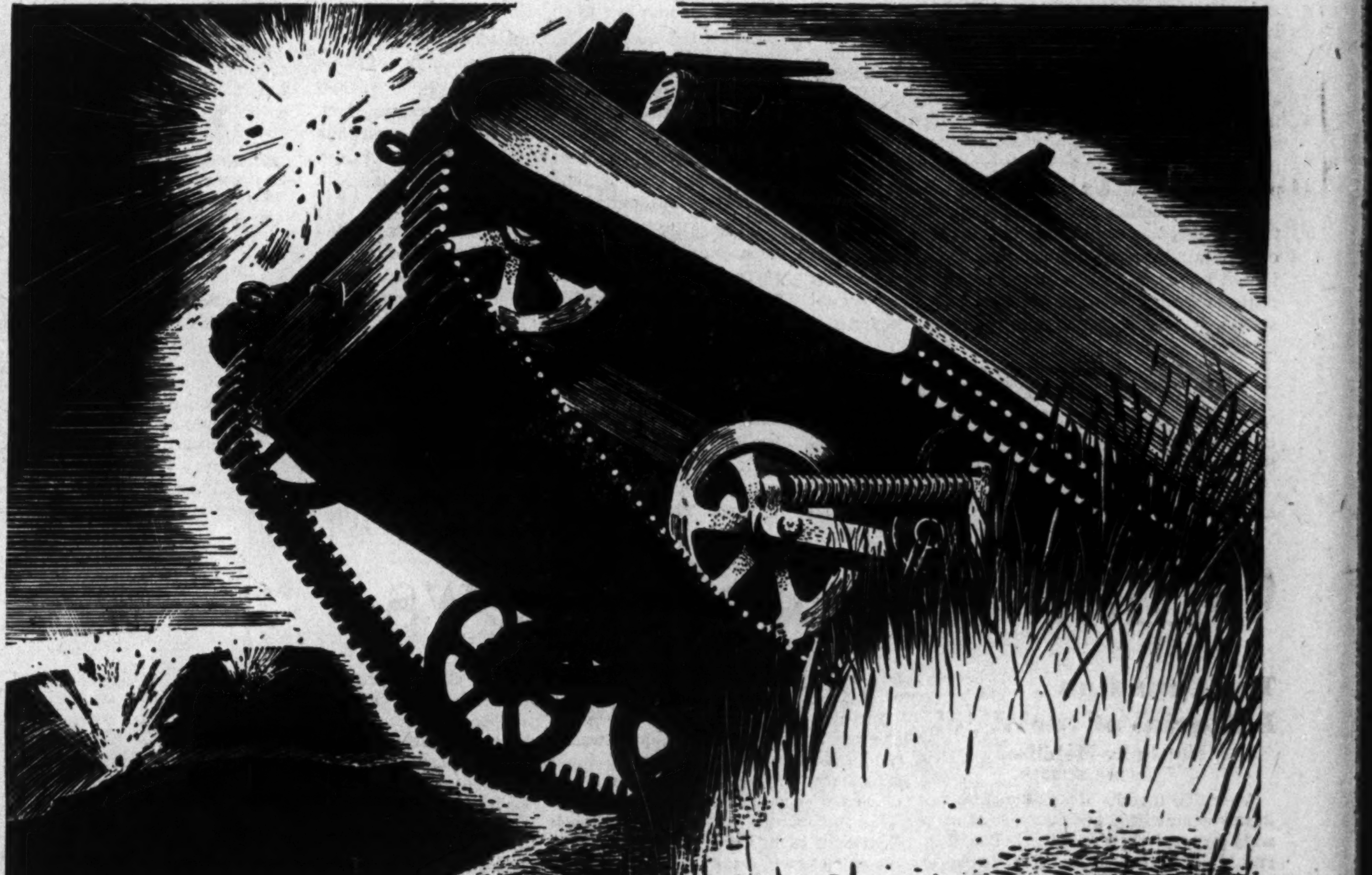

Bullets bounce off its chest!

When 25 tons of steel tank meet head on with an 8-pound shell, something is bound to happen. And when it is *our* tank the shell must bounce. So the armour plate on Canada's new tanks had to be forged to stop shells that would rip through ordinary steel like a knife through cheese.

That calls for tougher steel than we have ever known before . . . light weight steel, too, so that the tank can turn and twist on a dime.

Today, it's being made . . . and Brown Instruments help to make it possible.

For this better, tougher steel, entirely new standards of forging and annealing had to be achieved. Close temperatures have to be maintained; heating and cooling rates must be right. Brown Instruments automatically record and control the temperature at every step, producing better steel at lower cost.

Similarly Brown Instruments and Minneapolis-Honeywell Control Systems also help to give you a safer car, a better refrigerator . . . more even temperature and humidity in your home.

If your industry can do with more speed and quality of production through accurate information and control of temperatures, humidity, or flow of liquids or gases, consult our engineers or write for the booklet "Instruments From the Executive Viewpoint." Minneapolis-Honeywell Regulator Company Limited, 117 Peter Street, Toronto. Branches: Montreal, Winnipeg, Calgary, Vancouver.

MINNEAPOLIS-HONEYWELL REGULATOR CO. LTD.
Manufacturers of
BROWN
INDUSTRIAL
INSTRUMENTS

The Editorial Page . .

The Financial Post's Platform For War

1. *Strengthening cabinet leadership by drawing on Canada's best executive brainpower irrespective of political considerations.*
2. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
3. *Appointment of a non-political industrial executive with complete authority to organize and direct procurement of munitions and supply.*
4. *Pay-as-we-go policy to the very limit consistent with an all-out war effort.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *A national programme to deal with post-war employment and relief problems.*

Winning the war has become the focus for all effort, national or personal, in Canada. It requires full mobilization of the nation's material and spiritual resources.

To the fullest degree this should be achieved by individual effort, freely made.

Strong national leadership will inspire service and sacrifice. In turn this will reduce the need for regimentation and compulsion.

Action Alone Can Shorten the War

It is important that we make the war as short as possible. The way to do that is by action and not by talk. So said John Gordon, editor of the Sunday Express of London, in a recent talk, remarkable for its clarity and frankness.

Parliament and the cabinet, said Mr. Gordon, are talking machines instead of acting machines. For years British politicians were in the way of thinking that talking would have the same effect on the Germans as acting. That is why Britain was not prepared when the war came. Now Britain has a strong man. But would it not have been wiser, Mr. Gordon asked, to have had a strong man to keep Britain out of trouble rather than a strong man after she got into trouble?

Hitler has done most of the winning up to now, Mr. Gordon reminded us. The British say they are always slow starters in war. But, he added, "The sooner we pull our socks up the better. We cannot go on giving Hitler too many victories."

The Sunday Express editor urged his readers to press their government for more action and less talk. He said:

> "Prodding does not do any executive any harm at any time. We know ourselves, those of us who are at the head of business, that the prodding we get is good for us. Governments are not affected in the same way by prodding because they exist whether people like them or not, but prodding is as good for them as it is for businesses. The best of governments have a tendency to become complacent. They must always be driven and I think it is a mistake to say that at no time must anyone criticize."

He added:

> "Unless we can get into our heads the realization that talk is of less importance than the ability to act, we will have great difficulty not only in making the war as short as it should be but in winning it at all. It is essential that the war should not last so long for at the end we are too exhausted to win the peace as well."

There is a lot in these remarks that can well be applied to the situation in Canada.

Unfair Tax Discrimination

Recent amendments to the Excess Profits Tax Act removed a lot of inequities.

There is one instance, however, which appears unfair to an important section of the investment world. Investment trusts are exempt from excess profits taxes under the provision of Section 7, Subsection F of the present Act. But there is a catch in the exemption. If an investment trust has bonds or debentures outstanding, it cannot qualify for this exemption, whereas its neighbor, with no bonds outstanding, is exempt. It means that one trust has to pay a minimum of 40% Dominion income taxes while another one, doing the same job and managed in the same way, pays only 18% to the Dominion.

The mere fact that one investment trust raised a portion of its capital by selling bonds is no sound reason for making it pay higher taxes than the one which sold only stock. Neither the United Kingdom nor United States governments draw any such line. American companies pay income taxes only on that net income not distributed to shareholders. In the United Kingdom, investment trusts are exempt from ordinary income tax but pay excess profits tax on undistributed net income.

As the Canadian law now stands, an investment trust which has only stock outstanding pays 18% on its taxable income; another trust, which has issued bonds, pays a minimum of 40%. The only real distinction between the two is in their capital set-up, hardly a justifiable reason for such discrimination.

How Nazis Reach Their Agents

Short-wave propaganda from Germany, directed to the United States, is now focused on two classes: Southern negroes and small midwest farmers.

If there are two groups in the United States who are unlikely to have facilities for listening to short-wave broadcasts they are southern negroes and small midwest farmers.

Why, then, the seeming effort to reach these people by short-wave with doctrines of division and discontent.

The Nazi propagandists know what they are doing. An international authority on short-wave propaganda explained the technique thus to The Financial Post.

> "The Nazis use these short-wave broadcasts, first, as a quick means of giving instructions to their agents and sympathizers in the United States and, secondly, to reach the anti-British pseudo-intellectuals who will find ways of circulating such propaganda to larger audiences.
>
> "The current appeal to negroes and small farmers is Berlin's way of instructing its agents and friends in the United States to get busy among these groups. The broadcasts also define the 'line' that the propaganda efforts are to follow.
>
> "Berlin knows it will not reach the people themselves but it does not have to."

How Big Are the Big Incomes?

The other day the Minister of Finance put a bundle of figures into Hansard. They showed the record of income taxes paid in Canada on 1939 incomes. In brief they revealed that about 300,000 people enjoyed incomes of $1 billion on which they paid some $50 millions in income tax.

There are over four million people in Canada who are "gainfully occupied." The national income was about $4.5 billions.

From that it may be deduced that on 1939 earnings, about 12 out of 13 of the breadwinners of Canada, who between them earned $3.5 billions, paid no income tax to the Dominion.

Under the new income tax schedules and with payrolls considerably increased the number of those paying income tax is certain to show some increase.

The table revealed another very interesting fact. Taking the word "millionaire" to include everyone earning over $50,000 a year, the millionaires of Canada enjoyed total incomes of $47 millions or about 1% of the national income.

If the entire incomes of the millionaire groups had been evenly divided among the entire population there would have been an increase of less than $4 per capita in individual incomes. Or to put it another way it would have added less than four cents a day to the average income of the other earners of Canada.

If that happened, of course, the taxes paid by these "millionaires" would have to be paid by others so that the "gain" would not be net.

Every once in a while, someone suggests that the country would be better off if there were no big incomes. The figures show that the average person would not be much better off, even if the national income could be maintained, by lopping off all possible rewards for superior intelligence and diligence. That the national income could be maintained under such conditions is itself a big assumption, for which there can be no justification in logic or experience.

The Minister of Finance himself gave part of the answer to such suggestions when he said:

> " . . . There are some people who, because of their application, industry and character, because of a certain firmness or determination, because of some other qualities which may or may not be admirable, have got themselves into a position where they are able to earn high incomes. When they do, they are likely to buy larger houses, have more extensive grounds around them, have many pieces of fine furniture, and so on.
>
> "Suppose we . . . take everything above $3,000 or $4,000. That would mean wholesale liquidation of property and a complete upset in the standards of living and the arrangements which have been established. I am not at all sure that that would be in the interests of the community. In fact, I am sure that a sudden inroad upon established arrangements of society would create so much dislocation that it would do more harm than good to our war effort."

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Editorials in Brief

Over a thousand men have been laid off by one Canadian automotive plant since the end of June. So long as such a condition continues it is sheer nonsense to think that our industrial war output has reached its maximum.

• • •

It is better that Canadian automobiles be left in garages, says the Toronto Telegram, than that Britain's planes must be left in their hangars. Unfortunately, however, there has been too little evidence that such warnings have been heeded.

• • •

The New York State chairman of the Communist Party says:

> "The job of our party is to take advantage of every opportunity to build united front actions around a programme of smashing Hitlerism here and abroad."

The determining word is "here." It leaves plenty of room for sabotage on the home front. All the Communists have to do to justify, in their minds, a strike in a war plant is to call the boss a "Fascist." In Canada, the Communist Party is circulating a document declaring strikes to be "democracy's firing line."

• • •

> "There is and has been a continual campaign conducted in Toronto by politicians and The Financial Post to secure a fusion of parties in forming a coalition government."

So says the Alameda, Sask., Dispatch. On the contrary, The Financial Post has persistently stated its belief that a mere coalition government, or fusion of parties, would be useless in aiding the war effort, and positively dangerous by eliminating the strong opposition party that is needed for the effective functioning of our democratic system.

• • •

Hitler's conquest of the Balkans and his attempted conquest of Russia have so completely changed the war picture this year that, as the Vancouver Sun aptly remarks:

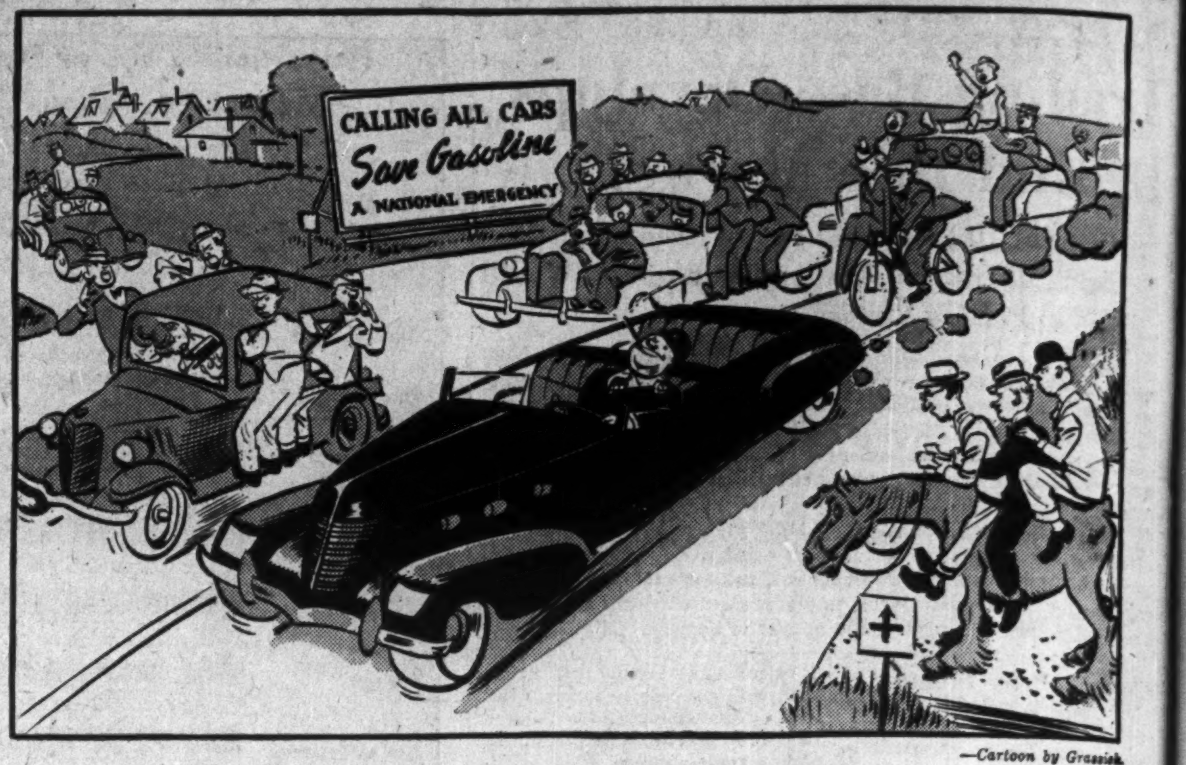
> "There is no use any more to compare our present war effort with that of the first World War. No use to compare our production with that of two years ago. There is only one useful standard of comparison now — how do our preparations compare with our needs? By that comparison, we are not doing enough."

• • •

The Economist in England has abandoned the British "billion" in favor of the American (and Canadian) "billion." It points out that only in the German inflation did the true billion—a million times a million—achieve financial reality and in default of a repetition of that debacle it is prepared to leave the term to the astronomers.

Accepted usage in this country is

1 million = 1,000,000.
1 billion = 1,000,000,000.
1 trillion = 1,000,000,000,000.



—Cartoon by Grassick

BADLY OUT OF STEP

Post-Scripts . . . .

International Handyman

Canada has found a new spot for her "handy man in international affairs"—Dr. Hugh Llewellyn Keenleyside. This month Ottawa announced that he would head the Canadian section of the joint economic committee of the United States and Canada organized in Washington.

Only a few weeks before Dr. Keenleyside was appointed secretary of the Canadian section of the Permanent Joint Defense Board, so that in a sense he will serve as Canada's contact man in all major wartime collaboration between this nation and the United States.

H. L. KEENLEYSIDE

This is just the sort of job for which Dr. Keenleyside has been preparing himself. Several years ago he wrote an informative volume on the relationship between the two great nations of the North American continent. In his new post Dr. Keenleyside will be able to see in practice many of the operations which previously he had visualized only in theory, and his broad learning, keen analytical judgment and personality should enable him to make a real contribution towards a more complete understanding between the two peoples.

Although born in Toronto, British Columbia likes to lay claim to Keenleyside as a westerner. He went to the Pacific coast when only a few months old and he received most of his education in Vancouver, graduating from the University of British Columbia. At Clark University, Worcester, Mass., he took his master's degree and Ph.D in economic history and international relations. He taught history at Pennsylvania State, Brown and Syracuse Universities and also at his own alma mater in Canada.

• • •

In 1929 Keenleyside joined the external affairs department at Ottawa and soon afterwards went to Japan with the late Herbert Marler, Canada's first minister to Tokio. He remained there until 1936, serving under Marler's successor, Randolph Bruce, and occasionally as charge d'affaires. He is credited with having done a great deal toward developing friendship between Japan and Chint during the prewar decade at a time when this country was keenly interested in building trade with the Far East.

He travelled extensively in the Orient and made a long journey through China, during which he gained a close conception of the political and economic problems of Asia. During his stay in Tokio he served as a member of the Council of the Asiatic Society of Japan, and he wrote a book on the history of Japanese education.

For a while Dr. Keenleyside was talked about as a possible choice for Canada's minister to Japan, but he returned to Canada in 1937 and busied himself with the department at Ottawa, being appointed in 1939 as secretary of the interdepartmental committee to plan the Royal Tour.

When the late Loring Christie was appointed as Canadian minister to Washington, Dr. Keenleyside was named counsellor in the department of external affairs. He also was made a director of the Canadian shipping board and of the War Scientific and Technical Development Committee. He succeeded the late Dr. Skelton as member of the Northwest Territories Council.

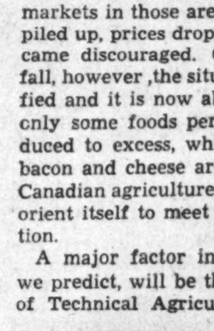
• • •

Scientific Agriculturists

For many months after this war started Canadian agriculture was almost a forgotten industry. No one seemed to know just where it could be fitted into the country's war effort. The new war was vastly different from its predecessor of 25 years before.

At first most Canadian farmers believed that this war was going to be like the last one, and expanded all lines accordingly. Then came the Nazi conquest of Western Europe and the sudden eclipse of Canada's important secondary farm markets in those areas. The food surplus piled up, prices dropped. Agriculture became discouraged. Gradually since last fall, however ,the situation has been clarified and it is now abundantly clear that only some foods perhaps had been produced to excess, while some others like bacon and cheese are exceedingly short. Canadian agriculture is being asked to reorient itself to meet this new war situation.

A major factor in that reorientation, we predict, will be the Canadian Society of Technical Agriculturists. Formed in 1920, this association is a national link for the graduates of Canada's seven full-fledged agricultural colleges. It is one of the few societies in this country which is bilingual, embracing both French and English groups. Membership is recruited largely from professional agriculturists in the Dominion-provincial civil services and those private industries which are directly interested in Canadian farming. Typical of the latter group is the new president of the C. S. T. A. this year, E. K. Hampson of Hamilton.



E. K. HAMPSON

• • •

Ernie Hampson is one of those exceedingly rare individuals who can make an impromptu speech that the average politician might envy, who can talk to farmers in their own language, and who understands the basic problems of both agriculture and big business. He is Canadian manager of the American Potash Institute.

Potash is one of the three elements every growing plant must have. There is some of it in practically all soils but often not enough to produce maximum crops .For centuries owners of the great natural deposits in Alsace-Lorraine had a world monopoly. After the outbreak of the first Great War supplies quickly disappeared in North America and the chemical industry, which also must have potash salts, bid as high as over $400 a ton for a product which normally sells well below $50. Today the supplies of potash salts, while not plentiful, are protected by new sources of production in United States and the farm price of potash fertilizer is practically the same as before the war.

Hampson and his associates in the American Potash Institute are mighty proud of this achievement. For years they have been developing an educational campaign among farmers of this continent, and through their foresight in opening new sources of supply they are not going to see their efforts blasted as would assuredly have been the case had the supply of potash still depended upon the mines in Alsace-Lorraine.

Like the majority of agricultural graduates Hampson hails from the farm, being born at Eden Mills, Ontario, 10 years before the turn of the century. He graduated from the University of Toronto with degree of B. S. A. (Bachelor of Scientific Agriculture) in 1915 and entered the field service of the Ontario Department of Agriculture the same year. After a few years in Welland County he joined the staff of the new agricultural school at Kemptville. In 1928 he took a position with what was then a world potash syndicate representing all the European producers. Shortly before the war, fearing a cutting off of supplies, the American Potash Institute was formed and Hampson was given his present position and title.

• • •

Lane of Imperial

Frederick P. L. Lane, newly-elected second vice-president of the potent Canadian Manufacturers' Association, directs the financial affairs of the huge Imperial Tobacco Co. of Canada.

F. P. L. LANE

For nearly a quarter of a century Mr. Lane has been in the tobacco business. He has never grown a leaf of tobacco, wrapped a packet of cigarettes, or sold a cigar across the counter. Yet there are few men who have a more intimate knowledge of the trade, all gained through his connection with the financial end of the business.

Montrealer by birth, he went to Toronto at an early age. Upon leaving school he served a two-year term with the Imperial Bank of Canada and then became associated with the accounting firm of Clarkson & Cross.

With the groundwork of training with the bank and auditors, Mr. Lane was ready to enter the business world. In 1917 he was appointed secretary of United Cigar Stores, the well-known tobacco chain store organization. From that time on he has been associated with one or other of Imperial Tobacco's subsidiaries. Two years later he left United to take over the post of secretary of General Cigar Co. and in 1921 became associated with the parent firm at the head office in Montreal.

He was appointed assistant treasurer of Imperial in 1929, secretary in 1931, director in 1933 and a short time ago vice-president.

• • •

Better than an average golfer, Mr. Lane hunts and fishes for recreation. But over the past year he has found little time for any of these recreations. He is a key figure in the company's defense against the charges that Imperial's trade policies are contrary to the Combines Act. Since last April he has spent practically all of his time in Edmonton, where the case is being heard in the courts, and was unable to be present at the C.M.A. convention when he was elected to the executive.

• • •

Stop Me If . . . .

"What's happened, George?"

"Puncture."

"You should have looked out for The guide book said that there was a fork in the road just about here."

Other People's Views . . . . .

The Canadian Editorial of the Week

Not Fully Mobilized

Winnipeg Tribune

After 22½ months of war Canadian industry is mobilized and functioning on a scale never before equalized. But it is still short of the mark. The extent to which it is geared to the emergency is measurably short of a hundred percent. Production of fighting equipment for the forces is still the bottleneck in Canada's war effort, and yet it is easy with a little enquiry to find skilled men and precious machine tools standing idle or working part time.

The demand for "conscription" now being heard from one end of Canada to the other is in reality a demand for a war effort of maximum effectiveness. The need for men overseas is part of the picture, the need for total mobilization of Canada's capacity to produce guns, trucks, tanks, ships and planes is quite as urgent. We need both trained men and machines.

Actually, the Government does not know how many machinists are walking the streets, or to what extent Canada's war industries can be further speeded up. The problem of getting every able-bodied Canadian into the job which he can do best is left to the ingenuity—and the luck—of the individual Canadian.

Call it conscription, national service or any other name, the rationalization of Canada's war effort, industrial and military, is long overdue.

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As Others See Us

Quebec and the War

Timmins Press

In a recent issue of The Financial Post Major H. G. L. Strange, former Canadian wheat king, brought to light some highly significant facts regarding the attitude of French Canadians toward the war.

Major Strange has just returned from an extensive tour of the Province of Quebec, a tour that took him through the farming communities of the province and enabled him to obtain first-hand information of the point of view of the people in the great agricultural districts of Quebec.

Premier Godbout's recent speeches and the report made by Major Strange should answer once and for all those critics who suggest that French Canadians are shirking their duty.

We in Timmins know that the French Canadians of this district have matched the patriotic efforts of other groups. The fact that almost 50% of the young men who have enlisted in the Porcupine since the outbreak of war have been French Canadians is proof that any doubt as to the unity and patriotism of French Canadians is unwarranted and completely unjust.

• • •

Getting Their Man

Sherbrooke Telegram

It is a well-known slogan that the "Mounties Always Get Their Man." But they must always have in mind the actual man that they are after.

This seems to be the obstacle to the carrying out of a plan suggested to the Conservative Party, by The Financial Post. This influential paper suggests that Mr. Graydon, who has recently been appointed Dominion Organizer of the Conservative Party, will first have to get his man. It says:

> "Mr. Graydon's job is not unlike a similar task which faced the Republican Party in the United States of America a few years ago. The party also undertook a nation-wide survey to ascertain what course it should follow to regain lost strength and potency. As subsequent events proved very clearly, the Republicans' greatest handicap was probably 'The Old Gang' which clung to office and preferment, despite the handwriting on the wall. Without 'New Broom' Willkie, the Party would doubtless have been tossed back into the limbo, as completely as Conservatives have been, in recent days."

Canada lacks colorful leadership such as marks other nations at the moment. There is practically no political leader who can thrice challenge and enshrine the men and women in this country. There might have been — Mr. Hepburn missed being great by a narrow margin. His narrow parochialism and provincialness have prevented it. Senator Meighen just escaped being a great leader because of a few too easy uses of sarcasm and a lack of ability to retain the warm devotion of his followers.

There are many men who would like to be the leader of the Conservative Party. There are always aspirants for office. Mr. Drew fought for years for the leadership of the Ontario Conservative Organization; but he has not been an unqualified success since he secured it.

The job of Mr. Graydon is not an easy one. The events of the past few years have made abundantly clear the place of leadership in the world. Mr. Graydon will have to find a dynamic, colorful, capable leader—not an office-seeker. He will have to watch subtle influence of "The Old Gang," and then having found his man, will have to give him a free rein, and risk the consequences.

• • •

A Major Injustice

Victoria Times

Finance Minister Ilsley, as The Financial Post points out, refuses to remedy a major injustice. Canadians taking in British children as war guests are not to be allowed any income tax exemption at all, unless the children are brought in under the official Government scheme.

There are some 5,000 British children unofficially in Canada as against only 1,500 officially here. The sacrifices being made by Canadian homes to permit British children to be saved from the horrors and perils of the Battle of Britain should receive the modest recognition of at least the usual $400 exemption per child. The actual loss to the treasury would be much less than $400, depending upon the income bracket in which the head of the family falls.

• • •

What the Papers Are Saying

Press Censorship No Good

Brampton Conservator

A pain in the neck to most newspapermen is a booklet containing some 84 directives from the Press Censors of Canada, telling us just what we may publish and what we may not. For instance a few weeks ago we pictured a Brampton father and son serving with the Canadian forces. One is overseas and we mentioned the fact together with the name of his unit. By return mail we received a stiff letter from the censors reminding us that we can mention that a man is overseas, but we must not name his unit. Apparently it would give comfort to the enemy to know what units are in England.

The irony of the whole thing, however, is that this same Government which seeks to tell the press what it may and may not publish also operates a broadcasting system. Each week it broadcasts a concert by some Canadian unit in England, and it does not hesitate to mention the name of the unit, or the names of the members of the unit who take part in the concert. Seems paradoxical to us that the radio can do what the press is not permitted to do.

• • •

The Mail-box

Why Curb Oil Flow?

Editor The Financial Post:

I have been a subscriber of your paper for some years and note especially your independence in political matters absent in all other papers.

Your article in today's issue on the slow down of coal production in Nova Scotia, labelling it as "sabotage" and "illegal stoppage of production," I think applies to our Government with equal emphasis in regard to the stoppage of production of crude oil in Alberta under the high sounding name of "proration."

The curtailing of production of this essential article under the guise of "conservation of the oil," while we pay fifty-five millions to the United States each year to supply what we ourselves have is ridiculous on the face of it, and more ridiculous still if it should happen (which God forbid) that we are conserving it for the Germans. By this week's news a number of producing wells have been ordered closed for four months because they exceeded the small amount the Government allows them to produce—Why? Where is the sense in this procedure under existing circumstances?

Then again we citizens, as owners of the Canadian National Railways, are paying dearly for the operating of this railway and we could well afford to haul the Alberta crude practically free to our refineries in Ontario and the East, and thereby keeping the millions of Canadian dollars here which now go to the U. S. A. for crude and gasoline.

We have the oil in Alberta, and lots of it, and we have the means of moving and refining it, so why curtail the production and transportation?

J. W. G. Winnett.

London, Ont.

Editor's note—Alberta's conservation authorities maintain that without control of oil flow the Turner Valley field would be quickly exhausted and not produce its maximum total. To maintain control a system of allowable production has been worked out for each well, and when exceeded such penalties as mentioned by our correspondent are provided. Recently allowables have been increased at risk of potential life of field, to cope with extra war demand. Even with this extra production output from the field is not able to supply present Prairie market.

• • •

Dionne Fortune

Editor, The Financial Post:

Under the heading "Keeping Posted," J. C. Kirkwood states that the father of the Quintuplets earns $16,000 a year.

It happened that I have prepared Mr. Dionne's income tax and was given full report. Mr. Kirkwood is very far off from the truth.

It is also stated that the Quintuplets have a fortune of a million dollars. This is also wrong. I am afraid that Mr. Edwards, who is supplying the information to Mr. Kirkwood, was very careless in his investigation.

H. S. Jacques.

Ottawa.

• • •

Sayings of the Week

"This city (Windsor) has one company that has already made over one million shells."—*Hon. Norman A. McLarty.*

• • •

"Since Russia stands in the way of one course (of Hitler) and Germany in the way of the other, we are pro-Russian and pro-British in this struggle."—*Dorothy Thompson.*

• • •

"Over 34,000 voluntary enlistments in about two months and a half is a thumping response by the young manhood of this country."—*Hon. J. L. Ralston, Minister of National Defense.*

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How War Hits Drug Trade

Old Supply Lines Seriously Upset

You don't have to be a druggist to know that normally drugs come from all parts of the world. Epsom salts from Germany, psyllium seeds from France, quinine from a bark grown in South America are only a few examples.

Consequently when war comes supplies of certain drugs are bound to become scarce or are shut off altogether, according as they are produced in enemy countries or countries from which transportation has become difficult.

So far, however, the average Canadian has not suffered severely from any shortage. Few essential drugs are produced only in enemy or enemy-controlled countries. Most of them come or could come from Empire or neutral countries.

In many cases, too, articles formerly imported from overseas are now being produced either in Canada or the United States so that transportation involves no problem, although prices may be substantially higher.

Developed During First War

In the last war both Canada and the United States developed a drug and chemical industry far beyond anything known before, and further progress has been made this time. Where certain lines of goods are not available from abroad substitutes have been used.

Drug prices, generally, are considerably higher than before the war. These price advances, however, are of more importance to the manufacturing chemist than the individual. The average person does not spend enough on medicine or drugs in a year to cause him any worry even if the prices do rise. But to the manufacturer using large quantities it is a different story.

Olive Oil

An example of a commodity used in the drug business, formerly obtained mainly from an enemy country, is olive oil. Italy before she entered the war was the main source of supply. Since then Canada has been getting more from Spain, while some has been obtained from California. The supply is limited and prices high.

Another commodity affected is cod-liver oil. Before the war Canadians depended mainly on Norway for their supplies. With Norway cut off. Steps were soon taken to establish a cod-liver oil refining industry in the Maritime Provinces to handle Newfoundland cod livers. These Canadian plants are now in production and output is reported to be increasing. This Canadian oil is already being sold by some pharmaceutical firms.

Supplies From Russia

Many essential oils have become scarce due to war in the East. Coriander (a perfume oil) used to come largely from French Morocco. Now we are beginning to get it from Russia. The same country ships us large quantities of peppermint oils. Spice oils from French Indo-China are being replaced by domestic manufactured synthetics.

Epsom salts was formerly obtained from Germany. Since the war, however, supplies have been secured from the United States and British Columbia.

Psyllium seeds, used as laxatives, formerly came from France. These were known as black seeds. It is understood a blonde type of seeds from India, however, is now coming in, in small quantities.

Belladonna

One commodity which has been scarce is belladonna used for heart disease and by opticians to expand the pupils of the eye. This is made in England and supplies have been coming through slowly. Digitalis is produced in the United States and supplies are sufficient to meet needs.

Quinine is another commodity which has been limited in supply. This is manufactured in Britain from bark obtained in South America and certain parts of the East. Difficulty in making ocean shipments and the diversion of British industries to war work have interfered with supply. Citric acid and tartaric acid, other imports from Britain, are also more difficult to obtain in large quantities.

The Week in Business

Canadian business activity in June rose to record breaking levels according to The Financial Post monthly index, and has held approximately at this peak during the first half of July according to the Dominion Bureau of Statistics.

Railroads more active, with carloading and gross earnings for both lines showing sharp gains in July to date. For year so far carloadings have been running almost 15% above the same period in 1940 and gross earnings 25 to 30% higher. C.N.R. net for June up over $1 million, for first six months practically double a year ago.

Automotive factories last month turned out the same number of cars as in 1940 but twice the number of trucks, thus reflecting the further switch of industrial plants to war production. For first half of 1941 truck production up 125%, passenger car down almost 10%.

Gold receipts last month down slightly but cumulative for year up 4%.

Canadian exports continue to climb, June figures showing gain of over 40% and cumulative to date up 30%.

Life insurance sales increase slight lead over year ago with total for first half of 1941 up 5.5% over 1940.

Trend of business is indicated by The Financial Post Business Index chart on this page and by the following key factors, new items for the week being marked thus: ▪

TREND OF BUSINESS—	July 12	July 5	June 28	June 21	July 13/40
▪Bond sales† ...... (June) $	40,100	40,851	473,434	1,138,868	—58.4
Weekly index of business, D.B.S.	112.9	113.0	113.7	113.5	102.4
Commodity prices index no.	90.6	90.3	90.4	89.8	81.7
	June	May	Apr.	Mar.	Year Ago
▪The Financial Post business index	*156.6	150.3	147.9	150.7	141.7
National Income, D.B.S.•	....	438.8	432.4	413.3	403.0
Retail sales index no.	....	134.5	135.3	129.3	113.7
Dept. stores sales index no.	....	129.6	133.3	124.9	108.1
Wholesale sales index no.	....	147.9	141.7	125.1	136.3
Country store (% change pr. yr.)	....	+8.8	+13.3	+5.5	+8.5
EMPLOYMENT INDEX Nos., D.B.S.	May 1	Apr. 1	Mar. 1	Feb. 1	Year Ago
All industries	....	141.3	135.3	135.2	111.9
Manufacturing	....	158.2	150.8	147.4	123.4
Living costs weekly budget	$18.30	$18.23	$18.16	$18.13	$17.85
			Jan. 1 to date		%
RAILWAYS	1941	1940	1941	1940	Change
▪Carloadings (week July 12)	63,252	57,238	1,617,930	1,409,078	+14.7
▪C.N.R. gross (week July 14) $	5,543,909	5,494,501	152,676,452	123,902,048	+23.2
▪C.P.R. gross (week July 14) $	4,167,000	3,310,000	108,042,000	81,928,000	+31.8
▪C.N.R. net revenue (June) $	6,828,443	5,561,206	32,108,211	16,200,082	+98.2
C.P.R. net revenue (May) $	4,101,819	2,464,383	15,851,390	9,712,951	+63.2
IRON AND STEEL—(May)—					
Pig iron production (tons)	113,624	93,254	513,238	460,971	+11.3
Steel ingots and castings prod. .... (tons)	206,110	174,417	961,272	792,033	+21.3
AUTOMOBILES—(Number)—					
Passenger Cars:					
Domestic sales* .. (May)	10,170	16,646	49,979	57,098	—12.5
▪Factory output ... (June)	8,538	8,739	65,199	72,179	—9.6
Trucks and Buses:					
Domestic sales* .. (May)	4,323	3,961	17,209	13,947	+23.4
▪Factory output ... (June)	17,215	9,191	87,672	38,767	+126.3
Financing:					
Used .... (May) $	6,811,637	5,388,290	22,766,612	16,542,214	+37.6
New .... (May $	5,295,969	5,041,701	18,905,977	15,632,374	+20.9
CONSTRUCTION—•					
Contracts awarded . (June) $	85,747,500	39,097,000	215,466,600	125,435,500	+71.7
Cement prod., bbls. (Apr.)	569,000	420,000	1,531,746	1,066,862	+43.6
AGRICULTURE—					
Flour prod., bbls. .. (May)	2,121,397	1,282,906	7,898,523	6,397,334	+23.4
Flour exp. bbls. .. (May)	1,340,258	722,595	3,710,788	3,242,698	+14.4
Wheat exp., bush. .. (May)	29,622,929	23,466,320	75,907,722	54,132,175	+40.2
Cattle sales• .... (June)	82,866	72,661	476,488	449,560	+5.9
Hog sales• .... (June)	401,232	324,187	3,011,409	2,323,432	+29.6
SEA FISHERIES—‡					
Catch, cwts. .... (May)	978,800	1,072,700	2,601,800	4,015,500	—35.2
Landed value ...... (May) $	2,044,600	1,720,000	4,721,230	4,561,900	+3.4
NEWSPRINT—					
Production, tons ... (June)	273,697	315,343	1,621,134	1,641,987	—1.2
Exports .... (May) $	12,572,000	14,061,000	56,489,357	53,390,845	+5.7
MINING AND OILS—					
Coal prod., tons .... (May)	1,198,255	1,267,687	7,233,211	7,104,896	+1.8
Coal import, tons ... (May)	1,309,690	2,372,411	3,567,819	4,313,023	—17.2
▪Gold rec., fine oz. . (June)	405,631	422,257	2,539,879	2,435,293	+4.2
Crude oil imp., gals.† (May)	199,517	147,775	460,563	393,344	+17.1
ELECTRIC POWER OUTPUT—(May)					
Total monthly, 1,000 kw.h.'s	2,805,394	2,671,567	13,172,325	12,389,620	+6.3
FOREIGN TRADE—•					
Imports .... (May)	128,095,970	100,536,837	530,360,701	405,395,950	+30.8
▪Exports .... (June)	146,851,211	111,621,656	719,419,154	553,711,029	+29.9
OTHER INDUSTRIAL FACTORS—					
▪Dressed lumber exp.: 1,000 bd. ft. ...... (June)	169,316	246,477	951,368	986,305	—3.5
Shoes, prod., pr. ... (May)	2,843,157	2,192,983	12,175,597	10,974,957	+11.0
▪Cotton consump., lb. (June)	15,915,739	15,378,128	98,620,217	96,600,255	+2.0
Raw rubber imp., lb. (May)	12,536,317	6,961,021	49,437,563	38,651,615	+27.9
▪Cigarette cons. No.† (June)	665,120	571,268	3,808,680	3,696,588	+3.0
Sugar manufactured . lb.§	102,412,562	107,509,859	365,993,288	383,849,627	—4.6
FINANCE—					
Bank debits† .... (May) $	3,265,872	3,339,595	14,569,469	14,320,105	+1.7
▪Bond sales† .... (June) $	40,100	40,851	473,434	1,138,868	—58.4
▪Life insurance sales (June) $	33,670,000	28,530,000	198,766,000	188,368,000	+5.5

*D.B.S. All Canada figure covering over 90% of the Canadian total.

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. *Preliminary.

•Total at yards and plants.

New items for week marked ▪

†000's omitted. §For four weeks to June 14. *Gold excluded.

•Millions of dollars.

Huntly Drummond Opposes Waterway

From Our Own Correspondent

MONTREAL. — Huntly Drummond, president of the Bank of Montreal, has gone on record as definitely opposed to going ahead with the St. Lawrence seaway development at this time.

A telegram from him, dated Montreal, June 13, and addressed to J. Scott Parish, of the British War Relief Society, Richmond, Va., was placed before the Rivers and Harbours Committee of the House of Representatives by H. E. Ketner, of Richmond, counsel for the Virginia State Corporation Commission. It reads as follows:

"With our whole future at stake we feel waterways scheme which will take years to complete and divert men and materials from an all-out war effort is a fatal mistake now apart from being economically unsound. Informed Canadian opinion is against it."

War Demands Boost Power Load by 13%

Power demand on Hydro-Electric Power Commission of Ontario continues to grow. June figures for peak load show a gain in primary power demand of 13% over the same month a year ago, largest gain made by any month since last September.

The result is a reversal of the normal seasonal decline of the summer months. June marks the third consecutive month this year to show higher primary power load than the immediately preceding months whereas under normal conditions the trend is downward from the beginning of the year until about July or August.

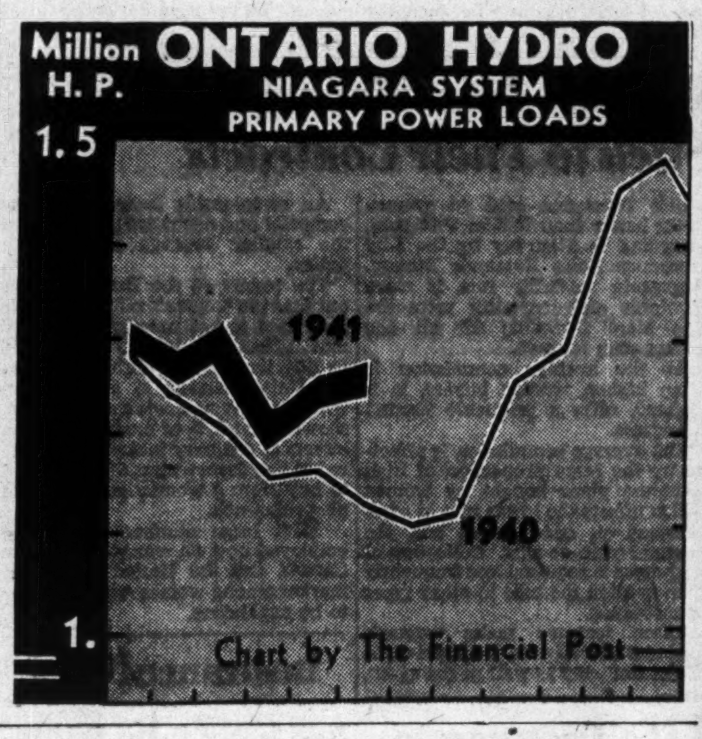
This month the Georgian Bay system shows the largest percentage gain with 21.4%. It is followed by the Northern Ontario Properties with 19.3%.

Secondary Power Down

At the peak load last month, Ontario Hydro was selling about 240,000 h.p. as secondary power. Almost all of this was in the important Niagara System. Georgian Bay sold no secondary power, Eastern Ontario less than 1,000 h.p. and Thunder Bay under 8,000 h.p. A year ago over 300,000 h.p. was sold as secondary power.

As pointed out in a recent story in The Financial Post, Ontario Hydro expects to be able to meet this fall's peak demand but it will require every horsepower that can be scraped together. With new war industries coming into production steadily, it is expected that the normal summer decline in load this year will only be nominal.

System Primary Loads	Max. 20-min. Peak H.P. June 1941	June 1940	Incr. %
Niagara	1,268,767	1,127,748	12.5
Eastern Ont. ..	161,594	142,670	13.3
Georgian Bay .	42,689	35,178	21.4
Thunder Bay .	99,786	97,185	2.7
Northern Ont..	222,299	186,361	19.3
Total	1,795,135	1,589,142	13.0
Primary & Secondary Loads			
Niagara	1,472,118	1,391,555	5.8
Eastern. Ont. .	162,077	148,021	9.5
Georgian Bay ..	42,689	35,178	21.1
Thunder Bay ..	107,507	100,536	6.9
Northern Ont. .	270,422	218,399	23.8
Total	2,054,813	1,893,689	8.5



Union Fishermen Conflict Causes Operations Delay

From Our Own Correspondent

VANCOUVER. — Conflict among various elements of the unionized fishermen has resulted in a good deal of confusion over British Columbia's salmon deal with the United Kingdom, weeks of delay in arriving at a basis of payment, and curtailed fishing operations.

Many of the larger seining craft are still tied up because of failure of the various groups to arrive at a satisfactory share basis. Negotiations are continuing between the fishermen and the canners, and it is hoped that within a few days the situation will be straightened out.

The delay is regarded by the canners as deplorable in view of the unusually heavy demands placed on the industry by the British Government, which stands ready to buy 1.2 million cases of a total pack maximum of 1.7 million cases, at a price considerably higher than the rate paid last year.

Recognizing the value of canned fish as food reserves in wartime, the British Government has been placing unusually large orders wherever delivery can be assured. The U. S. canneries in Alaska and on the west coast have been asked to supply a pack almost as large as British Columbia's, and a few days ago Britain closed an $11 million dollar deal for the Portuguese sardine pack.

Britain has also intimated her readiness to buy 35,000 tons of canned herring in British Columbia, which is beyond all comparison with previous orders placed here.

In the salmon negotiations concessions have been made by both sides. While the seiners have missed a good portion of the sockeye season, gillnet fishermen have been active and good catches are reported.

Liquor Prices Raised in U. S.

Signs are developing that higher costs of manufacture and distribution on the liquor industry in the United States have about reached the point where they must be passed on in the form of higher prices, states the New York Journal of Commerce.

Added to this is another problem facing the industry, that of impending increases in federal taxation. Either of these, it is felt, could adversely affect the consumption of liquor in the United States.

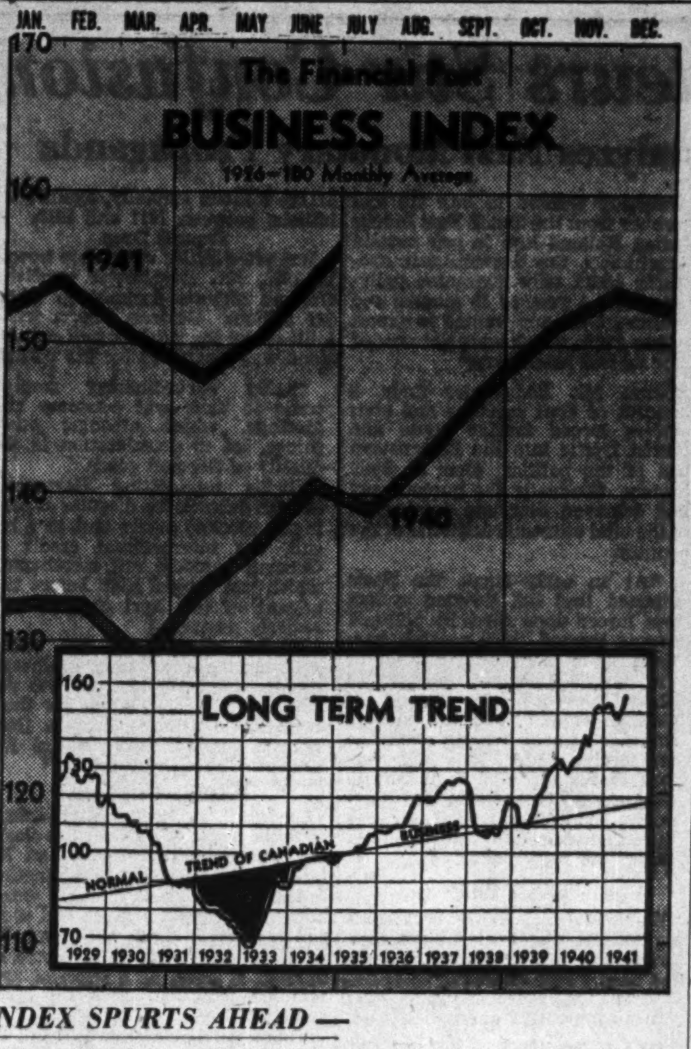
Walker's and Seagram's

Hiram Walker Inc. is said to be advancing prices on its entire line from Aug. 1. Distillers Corp.-Seagram's has already advanced prices on some of its nationally-known brands.

These advances are attributed to higher costs for glass, barrels, and other materials, as well as losses from other sources.

With regard to the federal taxation measure in which it is proposed to increase the tax on distilled liquors from $3 a gallon to $4 a gallon, this measure is not likely to get to the House of Representatives much before the end of this month or to be enacted before October. The delay in this measure is said to be inducing some companies to take immediate steps to offset the higher costs.

Examples of the way the companies' costs have gone up show that wages are up the equivalent of 9½ cents per case. Transportation charges have increased six cents a case; grain prices are up 12½ cents; cooperage has advanced 13 cents, other miscellaneous items up perhaps five cents a case; a total of about 35 cents a case from these sources alone.



INDEX SPURTS AHEAD —

The Financial Post's Business Index spurted forward another six points last month. Chief factors responsible, aside from the general expansion in war production, were construction and food manufacturing. Practically all of the former, of course, has to do directly with the country war efforts and consisted largely of new war factories and more buildings for the Air Force and Air Training Plan. Cheese, butter and sugar manufacturing in June showed large percentage increases over a month ago and livestock slaughterings over a year ago.

MAJOR ECONOMIC FACTORS		June 1941	June 1940	Percentage Incr. or. Decr. June, 1941-1940	May 1941
F. P. Business Index ..	1926=100	156.6	141.7	+10.5	150.3
Bank deposits	1926=100*	148.4	130.2	+14.0	148.4
Gold receipts at mint	fine oz.	405,631	422,257	—3.9	448,436
Silver shipments	fine oz.	1,452,257	2,197,242	—33.9	1,457,375
Sugar manufacturer	lb.	102,412,562	107,509,859	—4.7	71,548,490
Cheese, factory production ...	lb.	25,550,190	23,688,820	+7.9	16,551,456
Butter, creamery production ..	lb.	40,498,503	40,327,158	+0.4	32,978,810
Newsprint production	tons	273,697	315,343	—13.2	284,767
Woodpulp exports	cwt.	2,221,105	2,118,470	+4.8	2,256,906
Shingles exported	squares	310,917	254,126	+22.3	304,369
Cotton consumption	lb.	15,915,739	15,378,128	+3.5	16,502,650
Carloadings	no.	271,272	239,582	+13.2	276,157
Cigars released	no.	15,322,354	13,133,719	+16.7	16,387,287
Cigarettes released	no.	665,120,048	571,268,307	+16.4	654,332,560
Automobile production	no.	25,753	17,930	+43.6	26,585
Hog slaughterings	no.	402,302	319,549	+25.9	486,650
Cattle slaughterings	no.	154,080	135,725	+13.5	162,216

A CHECK-UP OF YOUR INVESTMENTS

A requisite of a sound investment portfolio is a periodic analysis by a competent investment consultant. This service may be obtained without obligation at any of our offices.

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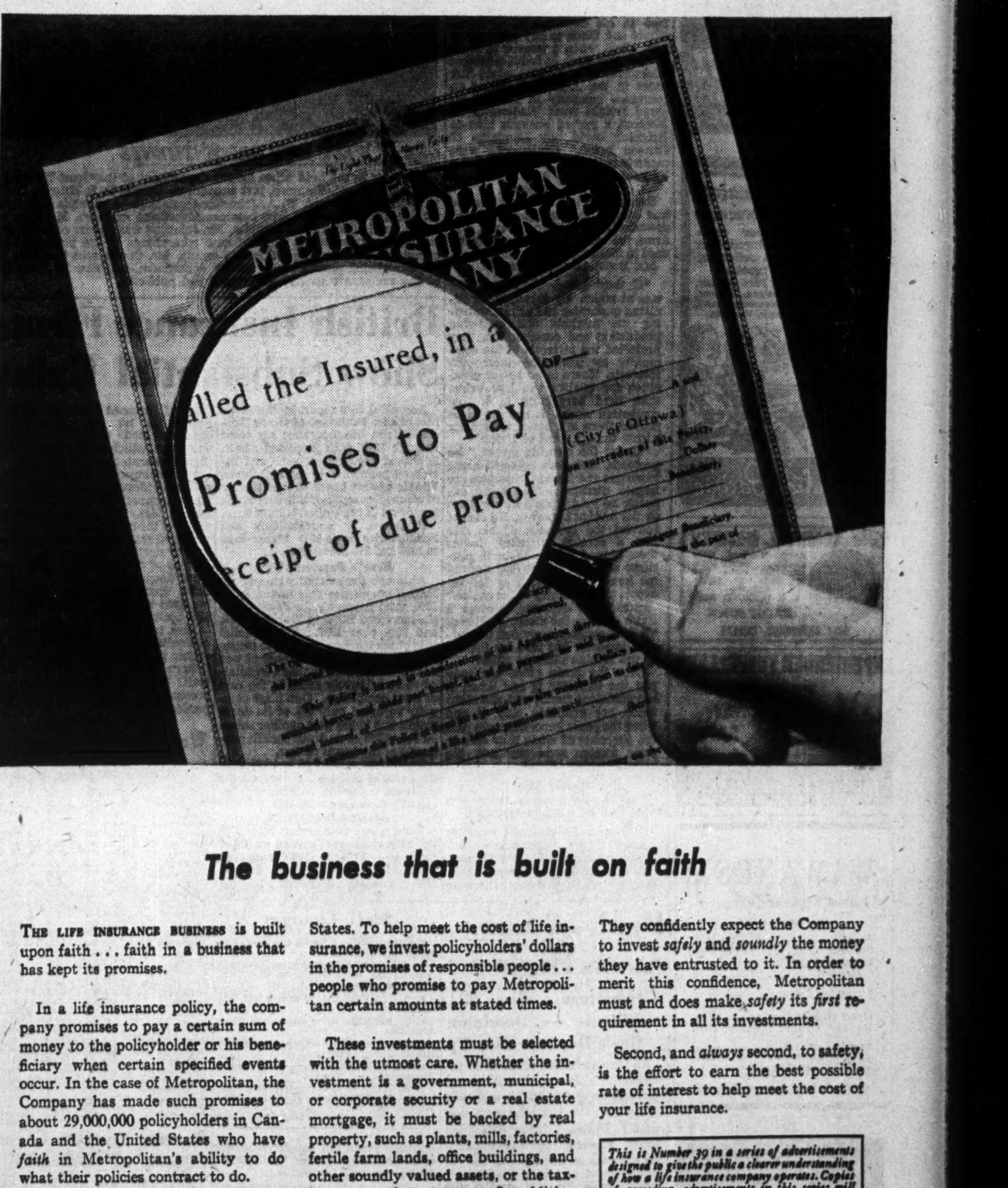

The business that is built on faith

THE LIFE INSURANCE BUSINESS is built upon faith . . . faith in a business that has kept its promises.

In a life insurance policy, the company promises to pay a certain sum of money to the policyholder or his beneficiary when certain specified events occur. In the case of Metropolitan, the Company has made such promises to about 29,000,000 policyholders in Canada and the United States who have *faith* in Metropolitan's ability to do what their policies contract to do.

In the 73 years of its existence, Metropolitan has paid every obligation in full when due. In 1940, for example, Metropolitan policyholders and their beneficiaries received almost $609,000,000 in benefit payments.

Just as Metropolitan policyholders have faith in the Company, so Metropolitan has faith in the strength and stability of the business, agriculture, and industry of Canada and the United States. To help meet the cost of life insurance, we invest policyholders' dollars in the promises of responsible people . . . people who promise to pay Metropolitan certain amounts at stated times.

These investments must be selected with the utmost care. Whether the investment is a government, municipal, or corporate security or a real estate mortgage, it must be backed by real property, such as plants, mills, factories, fertile farm lands, office buildings, and other soundly valued assets, or the taxing power of government. In addition these investments must be of such a type that past record of performance, present available resources, and future ability to pay, make it virtually certain that the promises to Metropolitan will be kept.

People buy life insurance to help them fulfill their most sacred obligations to their families, and they want to be as certain as they humanly can be that those obligations *will* be fulfilled.

They confidently expect the Company to invest *safely* and *soundly* the money they have entrusted to it. In order to merit this confidence, Metropolitan must and does make *safety* its *first* requirement in all its investments.

Second, and *always* second, to safety, is the effort to earn the best possible rate of interest to help meet the cost of your life insurance.

This is Number 39 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements in this series will be mailed upon request.

Metropolitan Life Insurance Company
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CHAIRMAN OF THE BOARD
Leroy A. Lincoln
PRESIDENT
CANADIAN HEAD OFFICE
OTTAWA

"Gumming the Works"

THE demands made on present day industry for speedy production and delivery exercises a constant strain on all those directly on indirectly responsible, since the smallest detail, a misplaced file, a part not ordered, an error in calculation or dimension—can "gum the works" as effectually as a general "walk-out."

Speed without order results in stagnation. Dingy offices with distracting and depressing furnishings and outdated methods of record keeping and filing slow down office tempo and retard clear thinking. Today recognition of this is evidenced by the many brighter, more efficiently equipped offices controlled by discerning executives and office managers across the Dominion. Time gained is money saved. It pays to keep pace!

Makers of the Only Complete Line in Canada of
FILING SYSTEMS AND OFFICE EQUIPMENT
THE OFFICE SPECIALTY MFG. CO. LIMITED
Head Office and Factories: NEWMARKET, Ont.
Retail Branch Stores in Canadian Cities from Coast to Coast

Gold Saboteurs Stir Confusion

Banker's Book Analyzes Nazi Monetary Propaganda

"The suspension of gold payments in a crisis, when obligations cannot be met, may be called a collapse, but it is not a repudiation of the principles of the gold standard."

So declares W. Redelmeier, formerly managing director of one of the largest banking firms in Amsterdam, now resident in Toronto, in his new book, "The Gold Standard."

What then is the future of the gold standard? Is it a currency system of the past or is it to survive the crisis through which it is now passing?

Mr. Redelmeier believes the answer will be found in the leadership the United States gives. If it chooses the proper time and the proper methods, a gold standard can be restored, first on a national and then on an international scale. Otherwise gold faces an uncertain future.

Prevailing Confusion

The confusion which at present surrounds the gold standard, Mr. Redelmeier believes, has not been caused by this war. It had developed during the two decades preceding, in the years before the suspension of gold payments in Britain and the United States.

The author does not believe either country can be held responsible for what has developed. For some years previous, he finds, there had been a growing distrust of the gold standard which has led many people to believe that even if gold, by some stroke of magic, vanished from the earth, it would make little difference.

But, says Mr. Redelmeier, while Britain, the old champion of the gold standard, is silent, Nazi Germany is forcefully pressing propaganda against it.

Offensive Against Gold

The Nazi offensive against gold, he states, is meant to be revolutionary. It aims at upsetting the gold standard system of international trade in favor of the German clearing system and of making it appear to the German people that the German mark is the strongest currency in the world.

Principles of the two methods of trade are illustrated by Mr. Redelmeier as follows:

Under the gold standard, an exporter was free to choose where he would sell his goods. He obtained a free claim on the foreign importer which he could convert into any currency he wanted. He could use the money to buy merchandise in any country or invest it wherever he wished. Likewise, an importer was free in his decisions as to what, where and when to buy and how to pay. Thus, when a weaver in Manchester sold cloth in India, a leather manufacturer in London could buy hides in the Argentine. When an insurance company in London insured freight from Vladivostok to Moscow, a retired business man in Brighton could buy Dominion of Canada bonds. Settlements were made through bills of exchange and by gold shipments if necessary.

Men of Experience

Exports and imports were planned and carried through under the responsibility of millions of men and firms, the world over, whose experience in foreign trade was unique.

Mr. Redelmeier declares:

"If they failed, their existence was at stake. By carefully scrutinizing quantities and prices, watching the markets and following production and consumption, they protected the interests of the community by protecting their own interests. There is no better guarantee for quality and low prices than hard bargaining in a free competing world. It has yet to be proved there is a better system for raising the standard of living."

"Under the clearing system," he proceeds, "relations between home exporters and foreign importers are largely disrupted. The home exporter no longer has a direct claim on the foreign importer. He cannot convert the proceeds of his sale into a foreign currency, invest them abroad or use them to purchase goods of the quality desired for home consumption or for re-export to the country of his choice."

Instead the exporter receives a claim only on the clearing office of his own country, provided the foreign importer has paid his invoice to the foreign clearing office.

"But the home office can only pay the exporter if and when it has sufficient funds, and sufficient funds are available only if and when the home importers have paid the proceeds of what they owe to their foreign exporters into the home clearing office."

Quotas Also

Exports and imports were also controlled by a quota system:

"When a Netherlands exporter wanted to sell vegetables or Sumatra tobacco to his old German clients, German importers in need of both were refused quotas because Germany wanted to buy tin and rubber from the Dutch East Indies; when Holland had to buy certain machinery, the German manufacturer could only guarantee delivery after a year or 18 months and besides, Germany wanted to export other goods which were not needed for its war machinery."

Thus, Mr. Redelmeier finds, a handful of civil servants and staff officers forced foreign trade and tourist traffic into the Procrustean bed of the political aims of their leaders. Gradually the bureaucracy had achieved complete domination of the total economic activities of the country.

"At an early stage, the Nazis claimed that the clearing system was forced upon them by political events beyond their control, particularly by the hostile attitude of the Anglo-American democratic plutocracies; by the boycott of German exports, and the ensuing shortage of gold, foreign exchange and foreign credits. This is the version of history as it is taught to the present generation (in Germany) and as it is written down for the enlightenment of future generations," the author adds.

Before 1914

The actual facts, however, according to Mr. Redelmeier were that: Before the war of 1914-1918, there had been a high degree of co-operation and tolerance in spite of a highly competitive atmosphere.

As a consequence of the last war, German foreign trade was practically destroyed.

The return to gold in 1923 ended the inflationary period for Germany and set her on her feet again.

As soon as the mark was stabilized with the help of long term gold loans, guaranteed by her former adversaries, Germany was in a position to build up her foreign trade anew. And as a result, between 1926 and 1931 she succeeded in exporting on the average not less than about M11½ billions annually, against M9 billions between 1911 and 1913.

Exports Drop

But after Hitler came into power in 1933, Mr. Redelmeier explains, German exports dropped to about M4 billions. German export trade built up by the work of two generations was destroyed by the Nazis:

"1. By subordinating foreign trade to their war economy and ideology, which amongst other things, led to deterioration in the quality of German goods.

"2. By repudiating Germany's foreign debts in the disguise of paying in blocked marks and, as a result, the international credit of German bankers and merchants, which had ranged high before the advent of the Nazi regime, was entirely destroyed.

"3. By expatriating on racial grounds those bankers, engineers, merchants and scientists who deserve considerable credit for their remarkable achievements in Germany's foreign trade before the advent of the Nazi machine."

Result of Distrust

Clearings, Mr. Redelmeier claims, were the result of distrust. The clearing system he describes as an inferior system leading to stagnation in trade. It has been made to work, however, he finds, and the end of its career is not in sight. It can only be made to disappear, in the writer's opinion, if faced by a superior system of exchange and the gold standard.

Today currencies stand or fall by the authority of government, Mr. Redelmeier declares. In the past when a currency collapsed because of human failures and errors, there was always the haven of the gold standard to which it could return. If governments fail, what will be the alternative of people meanwhile who have lost confidence in gold and the gold standard, he asks?

Mr. Redelmeier's book, "The Gold Standard," is published by The MacLean Publishing Company, Toronto, price $1.

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A Treat
IN STORE FOR YOU
— in —
Montreal

At Our

Sidewalk "Terrace" Cafe

Whether you be here on business or pleasure, do not deny yourself the enjoyment of delicious meals meticulously served, in the cool and refreshing atmosphere of our 'Outdoor Terrace'!

But Come to Think Of It!

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SAINT JOHN
NEW BRUNSWICK, CANADA

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CARRY
MONEY
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TRAVELLERS CHEQUES
OBTAINABLE FROM ALL CANADIAN PACIFIC AGENTS AND MOST BANKS

The
WAWANESA
Mutual Insurance Company
Organized in 1896
Assets $2,894,436.70
Surplus 1,513,855.65
Dominion Gov't Deposit 1,041,353.86
Write for Financial Statement
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

FIDELITY
Insurance Company
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AGENCY INQUIRIES INVITED
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GREAT WEST LIFE APPOINTMENTS

Changes in the head office agency department of the Great-West Life Assurance Co., of Winnipeg, just announced, include D. E. Kilgour (left) to be agency assistant, W. A. Johnston (centre) to be supervisor of field service, and V. I. Cowie, who becomes advertising manager. Mr. Kilgour was formerly inspector of agencies. Mr. Johnston was former editor of the company's house organ. He will now take charge of the planning and operation of head office services to agents. Mr. Cowie, who has been in the advertising section of the agency department, will now have charge of the company's general advertising and publicity.

British Insurance Firms Show Substantial Gains

According to a report by the Institute of Life Insurance of Great Britain, British life insurance has come through 1940 with increased assets, increased premium income and increased payments to policyholders. The figures are based on final figures of companies representing 60% of life insurance in the United Kingdom.

Payments to policyholders and beneficiaries were 19% higher than in 1938 and 2% above 1939.

Benefit Payments Up

Although the mortality rate of the British companies was favorable in 1940, total payments for death benefits increased 12.4% in 1940 over 1939, and 20% over 1938. A substantial part of the increase was due to causes other than war. The number of war deaths among policyholders was stated to be relatively small in the case of most companies. One large company reported only 8% of its death claims due to the war; another showed only 3.3% of its death benefit payments as the result of war.

There was a marked reduction in the value of policies surrendered, the decrease in the United Kingdom being 24% compared with 1939.

Interest Rate Down

Total assets rose almost 3%. The net rate of interest earned on these funds was 3.6% in 1940 compared with 3.8% in 1939 and 4% in 1938. Further reduction in the rate of interest earned is expected as no new investments are being made except Government war loans, which offer a yield lower than the earning rate of the past.

Most companies have postponed policy dividends until after the war when retroactive action will be taken. Many are paying dividends either at the normal or a specially established rate on policies which mature by death in the interval.

Sales of new ordinary insurance were down 24.4% from 1939 and 39.7% from 1938. New industrial business was 6.6% under 1939 and 12% under 1938.

Most companies complain of the difficulties imposed by evacuation of offices from metropolitan areas. Enlistment of large numbers from their staffs in the armed forces has also presented a problem to the companies.

Bank of Can. Assets Higher

Investments Rise $21 Millions — Dominion Gov't Deposits Also Up

An increase of $21 millions, in investments, is shown in the statement of the Bank of Canada for the week ended July 16. The increase was mainly in short term Dominion bonds. Miscellaneous assets including cheques on other banks not yet cashed were up about $4 millions. Other items on the credit side showed little change. The net result was an increase of about $25 millions in total assets.

On the liability side, deposits were up over $16 millions, the increase being due to a rise in deposits of the Dominion Government, probably the proceeds of war bonds or war savings certificates sold.

Miscellaneous liabilities, including cheques issued but not yet returned were $7 millions higher. Note circulation was up $1.3 millions.

	July 16 1941 $	July 9 1941 $
Liabilities		
Capital paid-up ...	5,000,000	5,000,000
Notes in circ.	401,706,720	400,459,371
Rest fund	3,722,910	3,722,910
Depos.: Dominion ..	39,486,902	22,346,064
Banks	205,598,079	205,076,778
Other	9,193,617	10,267,401
Total deposits	254,278,598	237,690,243
All other liabs.	13,765,455	6,102,972
Total liabs.	678,473,683	652,975,496
Assets		
In sterling & U. S. .	208,216	308,368
Subsid. coin	592,348	569,573
Advances	3,250,000	3,250,000
Investments:		
Dom. govt. short .	525,835,083	506,898,691
Other Dom. govt. .	134,518,108	132,133,739
Total invest.	660,353,191	639,032,430
Premises	1,784,347	1,783,305
All other assets	12,285,581	8,031,820
	678,473,683	652,975,496

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

G. W. G. WILLIAMSON, to be manager, Halifax, succeeding L. D. MURRAY, absent on sick leave.

N. R. CAMPBELL, to be accountant, Edmonton.

F. G. McCANN, to be accountant, Timmins, Ont.

The Bank of Nova Scotia announces the following staff changes:

H. F. CUNNINGHAM to be manager, Bloor & Spadina, Toronto.

J. A. KYLE to be manager, Galt, Ont.

F. W. ROBINSON to be accountant, New Westminster, B.C.

Weekly Bank Clearings

	July 17 1941 $	Change year ago %	July 10 1941 $
Halifax	3,480,598	+13.6	3,535,870
Saint John .	2,079,153	—1.9	1,988,187
Moncton	938,535	+2.8	944,673
Sherbrooke .	1,148,362	+15.8	850,086
Quebec	5,750,023	+17.7	5,803,704
Montreal ...	121,773,449	+30.2	108,168,920
Ottawa	34,781,117	+83.2	66,166,682
Kingston ...	784,515	+14.8	811,807
Peterborough	694,260	+9.2	689,507
Toronto	112,780,369	+10.4	119,496,955
Hamilton ...	6,845,292	+22.3	6,941,687
Kitchener ..	1,228,795	+16.7	1,200,843
Brantford ..	1,074,525	+29.7	1,158,041
London	2,923,401	+17.0	2,896,764
Chatham ...	632,590	—7.8	762,472
Windsor	3,850,268	+36.3	3,384,837
Sarnia	522,675	+10.0	540,320
Sudbury	1,011,825	+9.4	1,129,136
St. Catharines	1,327,631	....	1,448,442
Fort William	1,113,014	+31.9	996,665
Winnipeg ...	59,358,964	+86.5	63,717,978
Brandon	404,948	+18.8	451,082
Regina	4,244,842	+12.4	4,624,490
Moose Jaw .	707,320	+22.9	694,432
Saskatoon ..	1,436,353	+19.7	1,401,526
Prince Albert	416,806	+27.9	396,952
Edmonton ...	4,746,495	+25.1	5,109,457
Calgary	6,234,175	+44.5	5,779,091
Lethbridge	525,974	+23.3	536,776
Medicine Hat	335,498	+61.8	365,537
N. W'minster	743,887	+14.3	879,172
Vancouver ..	19,275,214	+13.7	19,049,075
Victoria	1,848,646	+0.5	2,163,069

Bureau Booklet Covers Pitfalls of Contracts

The nature and function of contracts are covered in the latest of a series of "fact booklets" issued by the Toronto Better Business Bureau. Under the title of "A Contract — What It Is—What It Does," the booklet stresses the care that should be taken before any contract is signed and outlines the chief pitfalls to guard against. In addition to the booklets distributed to members, extra copies have been supplied to a number of firms for members of their staffs.

Alberta Loan Renewed

The Dominion Government has renewed an Alberta loan of $2.5 millions, which matured June 1. The loan was made to the province under the Unemployment and Agricultural Assistance Act.

Insurance

Will Gas Shortage Lead To Horse Revival?

Greater Use of Horse Transport Would Not Abate Liability for Damage, But Insurance Protection is Already Provided

"Get a horse!" was once a favorite gibe at pioneer auto drivers in the early days of the motor car. Long since outdated and barren of meaning, it may currently regain some of its force as sound advice to meet the new wartime curb on civilian use of gasoline and oil.

The horse's day may be definitely over as a general means of either private or commercial transport. But use of horses may temporarily be revived, it is believed in some circles, to supplement the reduced use of cars and trucks resulting from curtailed supplies of gasoline.

Should this develop, those who turn to horses for either business or pleasure are going to find they are quite as liable for any negligence or damage done by horses and wagons, as they are now in operating autos. However, they will find the insurance companies have thoughtfully provided liability protection for owners and drivers of horse drawn vehicles.

Causes of Damage

Runaway horses are probably the most common cause of damage from use of horses and wagons. A recent case involved a bread wagon driver who left his horse unattended for a few minutes while he went to make a delivery.

The driver neglected to attach a weight to the horse's bridle when he left it standing in the street. The horse became frightened and ran away down a busy city street. At an intersection it collided with a parked automobile which it tried to jump over.

The result was a damaged car and a suit against the bread company, as well as an injured horse and a smashed wagon.

Other Causes

There are other ways in which claims may arise. A horse standing at the side of the road may turn out suddenly into oncoming traffic. Or it may back up, causing damage to somebody or something behind. If it can be shown the owner or driver was at fault, he may be sued for damages.

Then there are horses that kick or bite at passers-by, which may also lead to claims for damages. Riding horses as well as delivery horses may be the cause of such claims.

The status of these claims is similar to that of suits arising out of operation of automobiles. Claims may be made either for damage to person or to property.

Insurance Coverage

To take care of such cases, insurance protection known as the teams liability policy has been developed. This is also sometimes known as horse and wagon insurance.

It gives protection against claims that may arise when injury is caused any person not in the employ of the owner, or when damage is done to the property of another if the owner of the horse can be shown to be legally liable.

Like an automobile policy giving public liability and property damage protection, a teams liability policy also provides the insurance company will fight any claim that may be taken into the courts. This is of just as much value to the owner when he is innocent as when he has been negligent.

The fact that an owner of a horse was not negligent in any way, does not prevent actions being brought against him. But if he is insured, he turns the whole matter over to the insurance company who fights the case for him. If legal liability is shown on his part the insurance company pays the bill.

Collision Insurance

It is also possible to obtain collision insurance saving the insured from loss if his horse is injured or vehicle damaged.

Under the teams liability policy, standard limits of coverage are the same as in automobile insurance—$5,000 to any one person and $10,000 for any one accident, with $1,000 protection for damage to property. it is understood these can be increased, however, under certain conditions.

Women Insurance Buyers Stick to Their Contracts

Life insurance sold to women sticks better than that sold to men, according to a survey by the Life Insurance Sales Research Bureau. Aggregate mortality rate is more favorable and mortality rates are also more favorable for all age groups than for men.

As the average commission is often higher, women buyers, it is claimed, offer a profitable market for agents.

The average commission is affected by the large proportion of high premium plans bought by women which offsets the lower rate of commissions on endowments and the younger average ages. Collection of premiums is required less frequently than is often the case in other types of insurance.

These features make women's business attractive to the home office of the company as well as the agent.

An unfavorable factor as far as company and agent are concerned is the smaller average size of the policy.

The report of the Bureau points out that the women's market for life insurance is not necessarily tapped most effectively by women agents. In 1934 the Curtis Publishing Co. in the United States, in co-operation with the Bureau, made a study which showed that 45% of business women buyers of ordinary insurance preferred to buy from a man, 9% preferred to buy from a woman and 46% had no preference.

With large numbers of women employed now on war work in both Canada and the United States the market among women would appear to be expanding.

Life Insurance Sales Up 18%

Manitoba Leads Rest of Canada and Newfoundland With Rise of 37%

Sales of ordinary life insurance in Canada and Newfoundland continue to increase. A gain of 18% is shown in the total sales in June compared with last year. Increases were recorded in Newfoundland and all provinces except British Columbia where a decline of 14.7% was seen. This condition is likely to be changed, however, life insurance men say, as war work in the province is expanding and the number of life insurance prospects increasing accordingly.

The largest gain was 36.8% in Manitoba. Ontario sales rose 24.1% and Quebec 15.9%.

The figures cover new, settled-for, ordinary insurance, exclusive of revivals, increases, dividend additions, pension bonds, group and wholesale business, etc. They are based on the experience of 18 companies representing 85% of the new ordinary life insurance in Canada and Newfoundland.

Figures for the month and the different provinces follow:

Sales by Months, 1938-1941
(000's of $)

	1938	1939	1940	1941
Jan.	31,387	28,767	33,726	28,326
Feb.	31,796	29,202	31,820	31,500
Mar.	33,461	31,710	30,265	33,700
Apr.	30,612	26,357	32,248	35,398
May	31,016	30,123	31,779	36,172
June	35,660	32,226	28,530	33,670
July	30,635	20,902	28,159	.....
Aug.	28,446	26,494	24,693	.....
Sept.	27,928	34,262	26,156	.....
Oct.	32,372	31,900	31,210	.....
Nov.	37,167	33,034	32,899	.....
Dec.	36,475	34,759	33,727	.....
Totals	386,855	368,726	365,217	.....

Life Insurance Sales in Canada and Newfoundland
— 000's of $ —

	June 1941	June 1940	Change %
Alberta	1,547	1,244	+24.3
Br. Columbia	1,908	2,238	—14.7
Manitoba	1,945	1,421	+36.8
New Brunswick ..	852	754	+12.9
Nova Scotia	1,291	1,166	+10.7
Ontario	15,226	12,265	+24.1
Pr. Ed. Island	310	207	+1.4
Quebec	9,167	7,907	+15.9
Saskatchewan	1,073	1,031	+4.1
Newfoundland	351	297	+18.1
	33,670	28,530	+18.0

New Licenses

The following companies have been licensed by the Dominion Department of Insurance to write the lines of insurance indicated, in addition to those for which they are already registered:

Firemen's Insurance Co. of Newark, N.J.—Earthquake insurance on property already insured under a fire insurance policy of the company.

Alliance Insurance Co. of Philadelphia—Real property and weather insurance.

Insurance Co. of North America—Real property and weather insurance.

Insurance Notes

Life insurance sales in the United States in June totalled $594.1 millions, an increase of 7% over the same month of 1940. Total sales to date at $3.4 billions are 4% higher than in the previous year, according to the figures compiled by the Life Insurance Sales Research Bureau. They represent total ordinary sales of all companies operating in the United States and are based on the experience of 53 companies representing 81% of the new ordinary life insurance in the United States.

• • •

George Lafrance, superintendent of insurance for Quebec, at the annual meeting of the Quebec Insurance Brokers Association, told fire and casualty agents they could do a great deal to cut down waste caused by fire and accidents. This duty was especially important in wartime, he said, when all resources were needed.

"We have, as insurance men," Mr. Lafrance stated, "opportunities to discover and detect circumstances and conditions that might at some future date result in death, injury or destruction to property. We can insist on their removal. We can refuse to issue insurance contracts to those who are not responsible or who will not appreciate and accept their responsibility."

• • •

Ontario fire and casualty insurance agents are strongly opposing the schedule of commission rates recently announced by the Canadian Inland Underwriters Association. These rates, which ranged from 10% to 20% of the premium are to become effective Oct. 1. They represent reductions from the commission rates previously paid for the classes of business coming under the jurisdiction of the Canadian Inland Underwriters Association. The Ontario Fire and Casualty Agents Association is working to check the move. The companies, it is said, are opposed to making any change in the rate as announced by the Association.

• • •

The group insurance plan of John Labatt Ltd. has been extended to provide surgical benefits for employees, hospitalization benefits for employees' dependents and the services of a visiting nurse for both employees and their dependents. According to a letter from President John S. Labatt to all employees the increased cost to the individual employee will be very small, the major expense being borne by the company.

These new benefits supplement the plan already in force with the company which provides life, accidental death and dismemberment insurance as well as sickness and accident benefits for all employees. Three years ago at no additional cost to employees this was extended to cover hospital expenses. The insurance contract is with the Aetna Life Insurance Co.

"MY NATIONAL LIFE POLICY HELPS GUARANTEE MY FAMILY'S FUTURE"

MR. LEVAN BABAYAN
President of Babayan's Limited, 86 Yonge Street, Toronto. Canada's oldest and largest distributors of fine Oriental rugs. Established in 1896. Mr. Babayan has been a National Life policyholder since 1922.

: : : says Mr. Babayan, who believes that one of the first duties of a young man is to provide for his own and his family's security with Life Insurance.

Mr. Babayan knows from experience, that a man's responsibilities increase as he grows older. It is then he fully appreciates the financial stability and freedom from worry that Life Insurance affords.

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Assurance Company
of Canada
Home Office Toronto
Established 1897
Toronto Office: 522 University Ave., Toronto

Banking Service
1817 - 1941
BANK of NEW SOUTH WALES
Head Office: Sydney, Australia
General Manager: SIR ALFRED DAVIDSON, K.B.E.
Assets of £143 millions.
Over 870 branches in Australia, New Zealand & Pacific Islands.
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and at 47 Berkeley Square, W.1.
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INSURANCE LIFE COMPANY
A STRONG CANADIAN COMPANY

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THE Windsor
ON DOMINION SQUARE

A Specialized Service for Business Executives

Your business, no doubt, has many new problems to face as a result of the war; problems for which there is no precedent and which prompt you to ask: "Where can we get the facts we need?"

If the answer is to be found in research into business conditions or in the financial record of Canadian companies, we can help you.

The Financial Post organization has been able to give profitable assistance to a number of companies in recent months. For example, one sought an extensive survey of corporation earnings—a survey which no other organization was so well equipped to furnish.

You and your executives may now be studying some situation the solution of which could be aided by a specialized study.

Why not write us? If we can help, we shall be glad to offer you a plan. All work is done on a basis of a fee which is based on the time required. An estimate can be given in advance.

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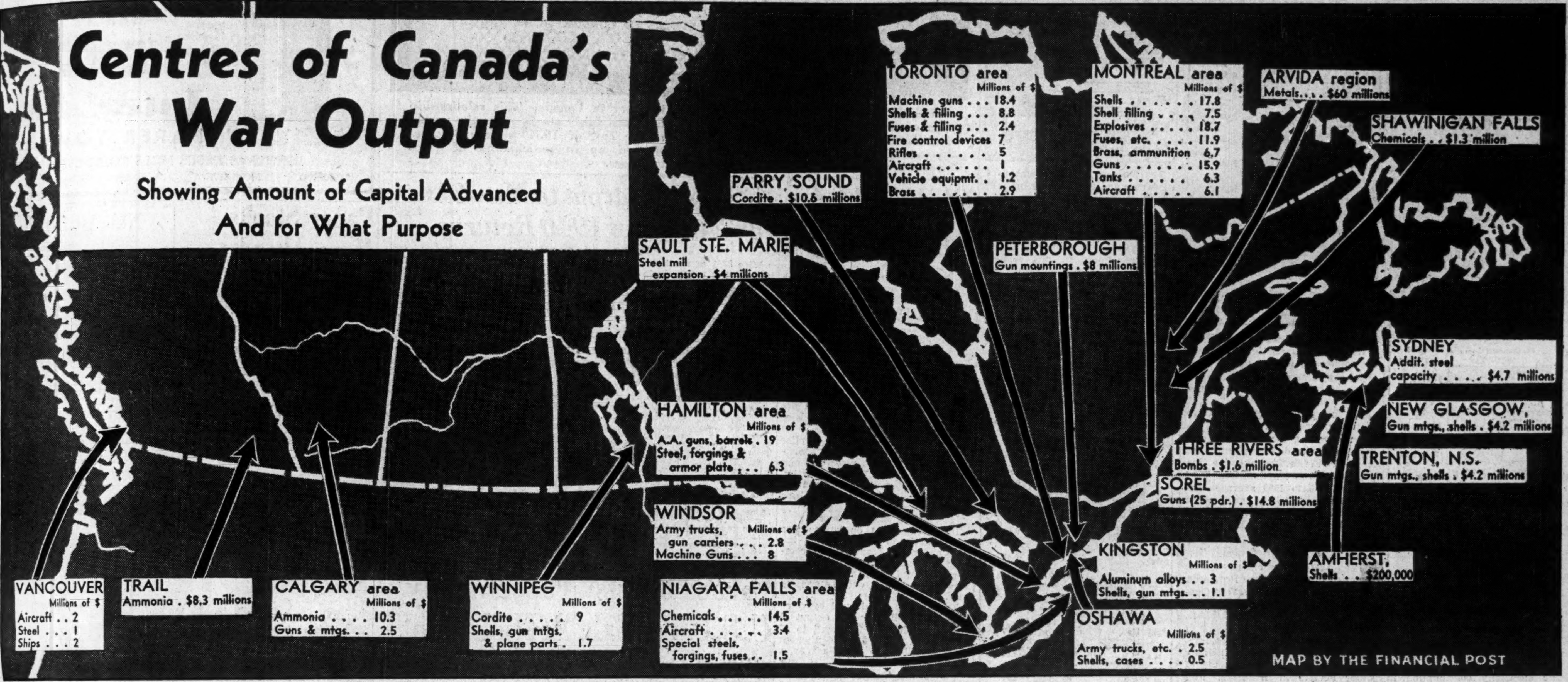
Our Half Billion Investment in War Plants

How Canada's War Engine Was Primed— Giant Works Get Under Way


Centres of Canada's War Output
Showing Amount of Capital Advanced And for What Purpose
VANCOUVER Millions of $ Aircraft . . 2 Steel . . . 1 Ships . . . 2
TRAIL Ammonia . $8.3 millions
CALGARY area Millions of $ Ammonia . . . . 10.3 Guns & mtgs. . . 2.5
WINNIPEG Millions of $ Cordite . . . . . 9 Shells, gun mtgs. & plane parts . 1.7
NIAGARA FALLS area Millions of $ Chemicals . . . . . 14.5 Aircraft . . . . . . 3.4 Special steels, forgings, fuses . . 1.5
WINDSOR Millions of $ Army trucks, gun carriers . . . 2.8 Machine Guns . . . 8
HAMILTON area Millions of $ A.A. guns, barrels . 19 Steel, forgings & armor plate . . . 6.3
SAULT STE. MARIE Steel mill expansion . $4 millions
PARRY SOUND Cordite . $10.6 millions
TORONTO area Millions of $ Machine guns . . . 18.4 Shells & filling . . . 8.8 Fuses & filling . . . 2.4 Fire control devices 7 Rifles . . . . . . 5 Aircraft . . . . . . 1 Vehicle equipmt. . 1.2 Brass 2.9
PETERBOROUGH Gun mountings . $8 millions
MONTREAL area Millions of $ Shells . . . . 17.8 Shell filling . . . . 7.5 Explosives . . . . . 18.7 Fuses, etc. . . . . 11.9 Brass, ammunition 6.7 Guns . . . . 15.9 Tanks . . . . . . 6.3 Aircraft 6.1
ARVIDA region Metals . . . . $60 millions
SHAWINIGAN FALLS Chemicals . . $1.3 million
SYDNEY Addit. steel capacity . . . . $4.7 millions
NEW GLASGOW, Gun mtgs., shells . $4.2 millions
TRENTON, N.S. Gun mtgs., shells . $4.2 millions
THREE RIVERS area Bombs . $1.6 million
SOREL Guns (25 pdr.) . $14.8 millions
KINGSTON Millions of $ Aluminum alloys . . 3 Shells, gun mtgs. . . 1.1
AMHERST, Shells . . $200,000
OSHAWA Millions of $ Army trucks, etc. . 2.5 Shells, cases 0.5
MAP BY THE FINANCIAL POST

The map shows the locations across Canada of the major war supply projects under way. The amounts shown indicate the approximate capital outlay for basic expansion. The map covers the principal advances to private industry and Government war companies. The tabulations do not include a large number of smaller projects.

By KENNETH R. WILSON
OTTAWA BUREAU
THE FINANCIAL POST

Half a billion dollars to prime Canada's war engine!

That, in essence, is the fact which emerges as statisticians put pencils to paper to tally the latest figures of the nation's wartime capital commitments programme.

The actual figure given out was $511.3 millions. That was at May 31. By now it has probably topped the $550 millions mark. For although the big-time spending on capital war account is, we hope, behind us, the British and Canadian governments are still making capital commitments in Canada at the rate of about $900,000 a day.

In recent months new capital commitments have run in millions of dollars: January, 33.8; February, 24.5; March, 29.6; April, 17.8; May, 27.1.

How has this money been spent? What has it been used for? Who got it—and why?

To begin with, about one-third of this money (35% is the latest official figure) is on purely Canadian account. That means that control of the buildings, machinery and equipment, etc., is vested in the Canadian government. A smaller proportion (26%) is purely British investment. The remainder is jointly the commitment of both governments.

None of the money, so far, is on United States account.

Millions for Aluminum

As announced in the press some weeks ago, the United States is loaning the Aluminum Co. of Canada $55 millions for new plant construction in connection with aluminum purchases negotiated as a result of the Hyde Park deal. Whether such capital assistance will ever appear in the official list of "government assistance" to war industry, seems doubtful.

The list does include at the present time an item of $55.6 millions loaned by the British government to Aluminum Co. of Canada, the loan to be repaid with 3% bonds in 20 years. But this is probably because this and other United Kingdom commitments are presently being financed by the Canadian government pending ultimate settlement of the war accounts of the two countries.

Another important point is that this wartime capital outlay includes only the money being spent by governments. There is nothing included for the substantial capital commitment of private industry on war account. According to one estimate this is said to be about 10% of Government capital outlay.

For example, between $15 and $20 millions is being spent to expand brass production in Canada. But prior to the government expansion programme, one of the companies being assisted had spent privately an amount sufficient to expand its prewar capacity two and a half times. The outlay was over $1 million in this case.

The official "breakdown" of the $511 millions shows that more than 80% of the entire expenditure has gone into four kinds of production:

1. Guns, carriages and mountings —$113.8 millions to 26 firms.
2. Chemicals and explosives—$116.2 millions to 9 firms.
3. An omnibus item called "special purchases and materials not end purchases"—$136.2 millions, to 22 firms.
4. Shells—$52.9 millions, to 54 firms.

For 233 Projects

In all, the money has gone to 233 different companies. Just how much has been spent for buildings, how much for machinery and equipment is not known. Even the official records disclose this information for only a few of the contracts. About $25 millions of the total is working capital.

It is also clear that except in the case of the aircraft industry the bulk of the expenditure has gone for machinery and equipment rather than for buildings. Building investment accounts for a very considerable proportion of the amount ($23.7 millions) spent to enlarge aircraft capacity.

In most cases where the expenditure is allocated as between buildings and machinery and equipment, less than 10% has been spent on buildings. The Government has tried, as far as possible, to avoid buying bricks and mortar.

Last February, Hon. C. D. Howe, Minister of Munitions and Supply, placed on the record in Hansard a detailed list of the proportion of this money which had been allocated to private industry. The expenditure at that time was $268 millions. This amount was exclusive of advances to wholly-owned government companies. It did not include $24 millions to the two railway companies for new equipment, nor the special advance to the Aluminum Co.

Today the amount allocated to private industry for new wartime plant and plant extensions is about $350 millions or 70% of the total commitments. Nearly all the building construction and a large proportion of the machinery and equipment represented by this outlay is now actually completed. For example: in chemicals, 85% of the plant construction is now finished. In shells, all but one of the new plants or extensions are now constructed.

In chemicals, there's the $18 millions ammonia commitment to Chemical Construction Co. near Niagara Falls. This plant will be operated for the Government by American Cyanimid. Apart from the land which was bought by the Canadian government, the bulk of this expenditure is on British account.

There is a commitment of over $53 millions credited to Defense Industries, Limited. This concern, a subsidiary of Canadian Industries Ltd., is operating certain projects of the Government on a management fee basis. The money is being spent for new chemical and explosive plants or for extensions to existing plants at 10 different locations. All but one of these (a $9 millions cordite plant near Winnipeg) are located in Ontario and Quebec.

There is $15 millions allocated to the Canadian Car Munitions Ltd., a subsidiary of Canadian Car & Foundry Co., for the shell filling plant they are building for the Government at Cherrier, Que. When completed this plant will be operated by the company under the direction of Allied War Supplies Corp., which is charged with responsibility for the entire explosive and shell-filling programme.

The other large commitment in chemicals is an $11 millions nitrogen plant being constructed by Alberta Nitrogen Co., at Calgary.

The $114 millions being spent among 26 companies for the manufacture of guns is almost entirely money spent for plants and equipment to which the government holds title but which is operated by private industry on a management fee basis.

The Inglis commitment now totals some $23 millions of which $5 millions is working capital; $4.2 millions for the manufacture of Boys' anti-tank rifles and the remainder for Bren, Colt and Browning machine guns.

Guns and Armor Plate

The Otis Fensom Co. is included for more than $11 millions to manufacture 40 mm. Bofors guns and barrels. Border Cities Industries, Ltd. (a new division of General Motors of Canada) is allotted $8.5 millions for the manufacture of Browning machine guns. Canadian General Electric is down for $8 millions for the manufacture of gun mountings and carriages. Canadian Westinghouse has $8 millions for guns, barrels, engines, etc. Dominion Engineering has 511 millions for guns, in addition to a machine tool commitment. Dominion Foundries and Steel has $1 million for barrel forgings apart from another commitment for armor plate. Sorel Industries, Ltd., is debited with $13 millions for plant and equipment to produce naval guns, 25 pdrs. and big 4 in. guns.

Other big commitments in the gun programme include Atlas Steels, Ltd., of Welland, $1.5 millions; Dominion Bridge, $4.1 millions; Eastern Car Co., Trenton, N.S., $2.5 millions.

The $51 millions for shell plants is divided among 54 firms. This means that the average assistance is less than $1 million for each plant.

The government has purposely tried to distribute this particular job as widely across Canada as possible.

Of the $23.7 millions to some 26 aircraft producing plants, nearly $5 millions is for overhaul facilities made necessary by the Commonwealth Air Training Scheme. As already indicated a considerable part of the expenditure in aircraft goes for buildings, as at Boeing Aircraft where two-thirds of a $1.5 millions commitment for the big PBY flying boats is for buildings. The expenditure for overhaul facilities, will be vastly increased from time to time.

The $7.2 millions for automotive equipment is distributed largely as follows: Ford of Canada $2.7 millions; General Motors $1.5 millions; McKinnon Industries $1 millions. About $1.4 millions is distributed among six tire companies for special tire equipment used for making war products.

The omnibus item "materials not end products and special purchases" includes such items as $4 millions to Algoma Steel for steel expansion programme; $10 millions of working capital for Allied Brass, Ltd. in addition to a further $9 millions for additional brass capacity of which $5.2 millions is allocated to Canada Wire and Cable Co. for the new plant it will operate for the government near Montreal. There is $5.5 millions to Atlas Steel of Welland for alloy steel expansion (this money is being spent through a government-owned holding company, Atlas Plant Extension which controls financial assistance to Atlas Steels). There is $3 millions to Dominion Bridge for drydock construction; $3.8 to Steel Co. of Canada for additional pig iron and steel ingot capacity. Included as well is $10 millions allotted to the new Wartime Housing, Ltd., and the $55.6 millions to Aluminum Co. of Canada.

Of the allotment for tanks and carriers, $9.1 millions is credited to Montreal Locomotive of which $4 millions is for working capital; $2 millions is allocated to C. P. R. and $1 millions to Ford of Canada for universal carriers.

A different break-up of expenditure reveals that approximately $60 millions has been allotted to wholly-owned government companies.

Largest individual amount is the $10 millions to Wartime Housing, Ltd. and an almost similar amount to the government's machine tool company. Citadel Merchandising Co.; $5.3 millions to Federal Aircraft; $7 millions to Small Arms, Ltd. of Long Branch, near Toronto; nearly $4 millions to Research Enterprises, Ltd., and $1 million to Allied War Supplies, Ltd.

Most of the remainder is allocated to secret companies set up to deal in goods and commodities necessary to the production of munitions of war.

Title to all the machinery, equipment and buildings so allocated is vested with the Canadian or United Kingdom governments. There are some special agreements already effected looking toward the end of hostilities.

Thus, a small chemical development in Quebec was negotiated on the understanding that the plant and equipment would become the property of the company when it delivers a certain poundage of the chemical it will produce. It is also stipulated that if the contract is terminated before that time, the company has the option to buy the plant or to demolish it and deliver the salvage to the Government.

In the case of another company which expanded its capacity to produce a basic raw material, the company is to repay an advance of $4 millions at the rate of something over a million dollars a year for three years, plus $131,000 thereafter until the whole amount is paid off. Meanwhile these amounts are charged as depreciation and enter into the cost of the product sold to the Government.

In a few cases an agreement has already been made. For the rest, the Government merely hopes that when it turns the key in the lock, some buyer will come along and find a use for the equipment and machinery. For one thing, it is highly probable that armament production will have to continue as a permanent national expense for many years to come, which will account for some of this capacity. The fact that most of these extensions and plants have been built by experts in their own line, means that they should have the maximum usefulness if some peacetime use can be found.

There is no estimate as to how much production is represented by these capital commitments. The latest figure is one used by Mr. Howe last year. At that time the $225 millions of capital expenditure was thought roughly to represent about $800 millions of production. If subsequent outlay has been on a proportionate basis the total production involved would be in the neighborhood of $1.5 billion. Such a figure is probably too high.

Where the Money Goes

What It Goes For

These Two Tables Show the Capital Commitments Made in Canada by the Canadian and the United Kingdom Governments for New Plants, Plant Extensions and Equipment as at May 31, 1941

	Approximately
To private industry	
For land, buildings, equipment	$325,000,000
For working capital	25,000,000
To wholly-owned gov't. co.'s	61,400,000
To Aluminum Co. (loan by U.K.)	55,600,000
To railway co.'s for rolling stock	24,200,000
To Government agencies (special allotments)	20,000,000
TOTAL	511,256,000

	$	% of Total
Chemicals, explosives	116,194,000	22.8
Guns, carriages, etc.	113,786,000	22.3
Shells	52,953,000	10.3
Railway equipment	24,234,000	4.7
Aircraft	23,682,000	4.1
Machine tools, etc.	19,646,000	3.8
Tanks and carriers	14,378,000	2.8
Automotive equipment	7,413,000	1.4
Bombs, mines, etc.	2,758,000	.5
Materials, not end products & special	136,212,000	26.7
TOTAL	511,256,000	100.0

Manitoba Sets Power Pace

Domestic Users Have Lowest Average Rate

From Our Own Correspondent

MONTREAL. — Manitoba's domestic users of electricity have the lowest average cost per kilowatt hour of energy in the Dominion. They also have the largest consumption per customer and per capita.

These returns are considerably affected by the flat rate for water heaters in Winnipeg, a factor which influences rates in Ontario although to a lesser extent.

British Columbia ranks first in density of customers. Ontario is second, followed by Quebec.

These are highlights in the latest report issued by the Dominion Bureau of Statistics on the central electric stations.

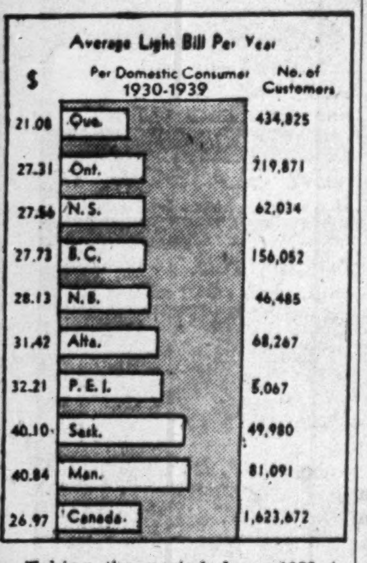
Set New Record

At the beginning of 1940 there were 1,623,672 domestic customers served by the power industry. This is not only an all-time record, but constitutes an increase of more than 23% in number over the past decade.

The average bill paid by these customers in 1939 was $26.97 which also set a new high mark. The increase was due not to higher rates, but to increased consumption of electricity, as over the past 10 years amount of energy consumed has increased by nearly 26%, while revenue per kilowatt hour declined 17.03%.

Manitoba in the Lead

A breakdown, by provinces, of domestic power users in Canada at the beginning of 1940, together with the average bill paid in 1939, follows:



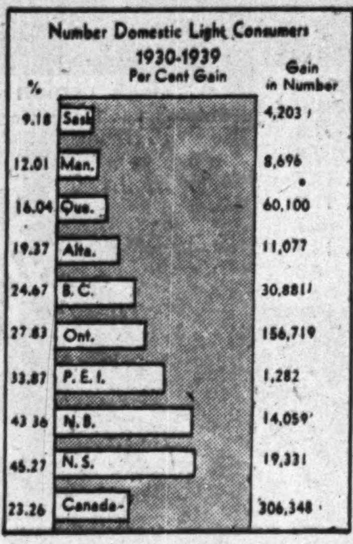
Taking the period from 1930 to 1939 — 10 years — the Bureau has worked out a number of interesting tables to show the trend of domestic electricity consumption in this country.

Over the 10 years the number of domestic customers increased by 306,348, of which number Ontario accounted for just over one half. Quebec accounted for 20% of the absolute increase, followed by British Columbia with 10%.

Maritimes Set Pace

The greatest growth in domestic service in the decade, however, was not scored in Ontario, Quebec or British Columbia, but in the Maritime Provinces. There the increase in number of customers ranged from 33.87% in the case of Prince Edward Island to 45.27% for Nova Scotia. New Brunswick was in second place with a gain of 43.36%

The growth trend in number of domestic customers between 1930 and 1939 is set out below:



More Power Used

With the increase in number of customers and greater use of electrical appliances, consumption of electricity for domestic purposes has steadily risen.

This has enabled power distributors to reduce rates. However, before examining the trend of rates in each of the different provinces, it is well first to examine the growth in consumption.

From 1930 to 1939 average consumption of electricity per domestic customer in Canada increased from 1,131 k.w. to 1,423 kw.h., an advance of 25.8%.

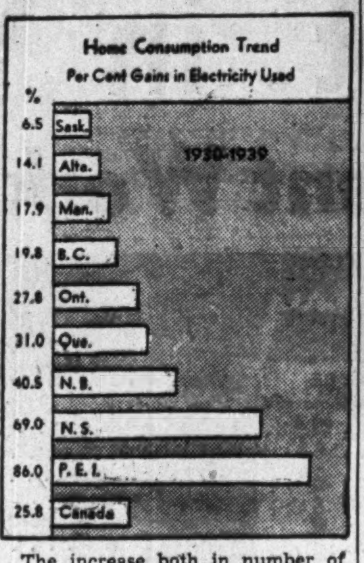
Good Gains Recorded

The largest percentage gains were recorded in the Maritime Provinces. In the more important areas of Quebec, Ontario and Manitoba, the gains were 31%, 27.8% and 17.9%, respectively.

The remarkably high consumption in Manitoba is due, as already pointed out, to the general use of water heaters in Winnipeg. Flat rate water heaters also are used in Ontario, but not to the same extent, consumption of electricity in this way being only a small portion of the total for the province.

Change Over Decade

The changes which have taken place in domestic consumption since 1930 are set out below:



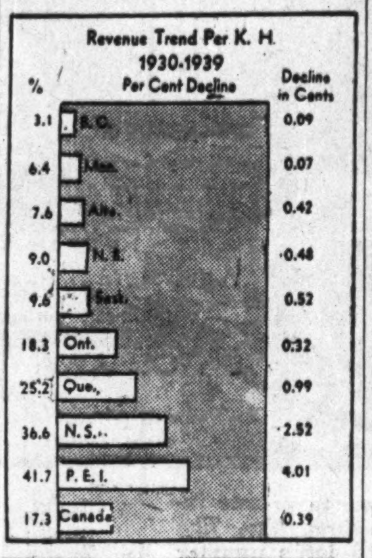
The increase both in number of customers and consumption brought about a decline of 17.3% in the average cost per kilowatt hour of energy used for domestic purposes.

Naturally Prince Edward Island was able to record the greatest improvement in this connection, because of its outstanding record in rate of growth of consumption and of new customers.

Rates in Nova Scotia declined 36.6% in the 10 years. The next best improvement was made by Quebec, with a decline of 25.2%, followed by Ontario with 18.3%.

Average Decline 17.3%

In each of the other provinces the decline in rates was less than 10% from the 1930 level.



Company Reports

Niagara Wire Weaving

Niagara Wire Weaving Co. reports net profits for the year ended March 31, 1941, equivalent to $2 a share on its common compared with $2.19 a share for the preceding year. Dividends paid last year totalled $2 against $1.35.

E. J. Buell, president, states that increased costs of materials, labor and taxes more than offset the high rate of operations that prevailed. Installation of wire drawing equipment has proved valuable to the company. By drawing this wire in Canada U. S. exchange has also been saved. Output of this department has been ample for the company's requirements and sufficient reserve has been installed for emergencies. This reserve is available to manufacture fine wire for others.

Raw materials in the form of wire drawing rod must still be imported from the United States and substantial increase in material costs was caused by the 10% war exchange tax on imports last June. Growing competition from war industry for the limited output of the rolling mills producing this brass and phosphor bronze rod is proving more serious than higher costs, states Mr. Buell. Based on the importance of the Canadian pulp and paper industry in supplying foreign exchange, Mr. Buell feels there is every reason to expect that governments at Ottawa and Washington will place the company in such a priority position that no interruption to paper mill operation will result because of the company's inability to obtain materials.

Income and Surplus Account
Years Ended March 31

	1941	1940
	$	$
Net profit	230,064	252,361
Less: Common divs. ..	230,000	155,250
Surplus for year	64	97,111
Add: Previous surplus	469,095	355,067
Adjustments	......	16,917
Surplus forward	469,159	469,095
Earned per share	$2.00	$2.19
Paid	2.00	1.35
Shares o/s, n.p.v.	115,000	115,000
Working Capital		
	$	$
Current assets	917,316	924,480
Current liabilities	292,192	291,921
Working capital	625,124	632,559

Algoma Steel

Sales of Algoma Steel Corp. for the year ended April 30, 1941, totalled $25.1 millions. This is a gain of 54.53% from the preceding year and a new record for the company.

Net profits, after allowing for all expenses and full preference dividends, were equivalent to $1.98 a share on the common compared with $1.62 a share for the year ended April 30, 1940. No dividends have yet been paid on the common although full $5 dividends were paid on the preference last year. These dividends became cumulative from Jan. 1, 1940.

Balance sheet shows a gain of $1.5 million in working capital. This is chiefly due to a rise in receivables and inventories, as shown in the details which follow. Bank loan has been reduced by about $600,000 to $1.8 million.

Preference shares outstanding have been further reduced by redemption of 1,060 shares during the past year. Serial maturities have cut funded debt by $200,000 to $2.5 millions and a further serial maturity of $200,000 becomes due Nov. 1, 1941.

Income and Surplus Account
Years Ended April 30

	1941	1940
	$	$
Sales	25,117,776	16,264,821
Less: Selling exps., etc.	517,775	391,285
Cost of goods sold ..	22,120,406	14,077,878
Operating profit	2,479,595	1,795,658
Add: Interest earned .	81,713	104,767
Gross earnings	2,561,308	1,900,425
Less: Loan interest ..	166,788	68,942
Bond interest	123,200	132,247
Depreciation	791,372	683,163
Inc. & E. P. taxes.	568,132	235,833
Net profit	911,816	780,240
Less: Pref. dividends .	82,556	27,519
Surplus for year	829,260	752,721
Add: Previous surplus	2,353,145	1,600,424
Earned surplus fwd..	3,182,405	2,353,145
Earned per Share:		
Preference ....,	$43.51	$35.44
Paid	5.00	1.25
Common	$1.98	$1.62
No dividends paid.		
Shares o/s:		
Preference, $100 par	20,955	22,015
Common, n.p.v.	412,700	412,700
Working Capital		
	$	$
Current assets	9,687,147	8,030,313
Current liabilities	4,168,212	4,012,778
Working capital	5,518,935	4,017,535
Balance Sheet Changes		
	$	$
Cash	106,259	149,353
Receivables	3,304,001	2,521,791
Inventories	6,124,690	5,231,928
Bank loan	1,774,000	2,372,000
Advs. to subsidiaries .	1,423,018	1,832,118
Fixed assets	19,280,394	18,911,503
Less: Depreciation ...	3,558,015	2,785,028
	15,722,378	16,126,475
Res. for furnaces	2,909,339	2,739,988
Funded debt	2,514,000	2,714,000

Quebec Apartments

Quebec Apartments Ltd., which owns and operates the Chateau St. Louis Apartments, Quebec city, reports net profit of $783 in the year ended April 30 last. In the 16 months ended April 30, 1940, the company reported net loss of $41.

Rental income in the past year totalled $86,873, compared with $113,218 in the 16 months period. Working capital increased by $11,449 during the year to $35,084. There were $10,050 par value of first mortgage bonds redeemed through sinking fund. The company holds an additional $12,000 for sinking fund purposes.

Income and Deficit Account

	Year ended April 30 1941	16 mos. ended April 30 1940
	$	$
Rental income	86,873	113,218
Less: Oper. exps.	53,910	71,073
Directors' fees	220	280
Depreciation	18,291	23,100
Bond interest	13,793	19,414
Income taxes	234	......
Add: Int. earned	358	608
Net profit	783	*41
Add: Prev. surplus ..	145,227	145,269
Surplus forward	146,010	145,227

*Loss.

D. A. Stuart Oil

D. A. Stuart Oil Co. reports net profits for the year ended May 31, 1941, equivalent to $2.69 a share on its preference stock compared with $1.56 a share for the previous year. In addition to regular dividends of 80 cents a share, a participating dividend of 50 cents a share was paid on the preference for last year.

Sales were substantially higher than in the previous year, states H. A. Greene, president. This reflected increased activity in the metal working industries arising from munition and war material production.

W. H. Oldacre, general manager, reports that "to handle the increased volume of business and further anticipated increases, our factory has been practically rebuilt. Floor space has been doubled and a new steam plant installed." These improvements cost $65,997, replacing assets carried at a cost of $10,215 which has been written off the fixed asset values.

Income and Surplus Account
Years Ended May 31

	1941	1940
	$	$
Net earnings	214,751	109,182
Less: Patent amortiz.	16,939	16,939
Income & E. P. taxes	85,000	27,066
Net profit	112,812	65,177
Less: Pref. dividends .	33,505	33,505
Common	18,000	......
Participating	35,940	......
Surplus for year	25,367	31,672
Add: Previous surplus	67,762	38,834
Less: Com. dividend.	*18,000	......
Addit. taxes	1,174	2,744
Prem. on pref. red.	4,228	......
Earned surplus fwd. ..	69,726	67,762
*Paid out of profits of year ended May 31.		
Earned per share:		
Preference	$2.69	$1.56
Paid	0.80+0.50	0.80
Common	$2.64	$1.06
Paid	0.60+0.50	0.60
Shares o/s:		
Preference, n.p.v. ..	41,881	41,881
Common, n.p.v.	30,000	30,000
Working Capital		
	$	$
Current assets	451,782	283,904
Current liabilities	243,887	45,403
Working capital	207,895	238,501

Industrial Alcohol

Net profit of Canadian Industrial Alcohol Co. tripled in the nine months ended May 31 over the same period of 1939-40.

Operating profit amounted to $753,510 during the nine months, compared with $307,449 in 1939-40. After providing $313,670 for income and "excess" profits tax, net profit was $309,766. This compares with $103,887 in the same nine months of the previous year, when the tax provision amounted to $65,421.

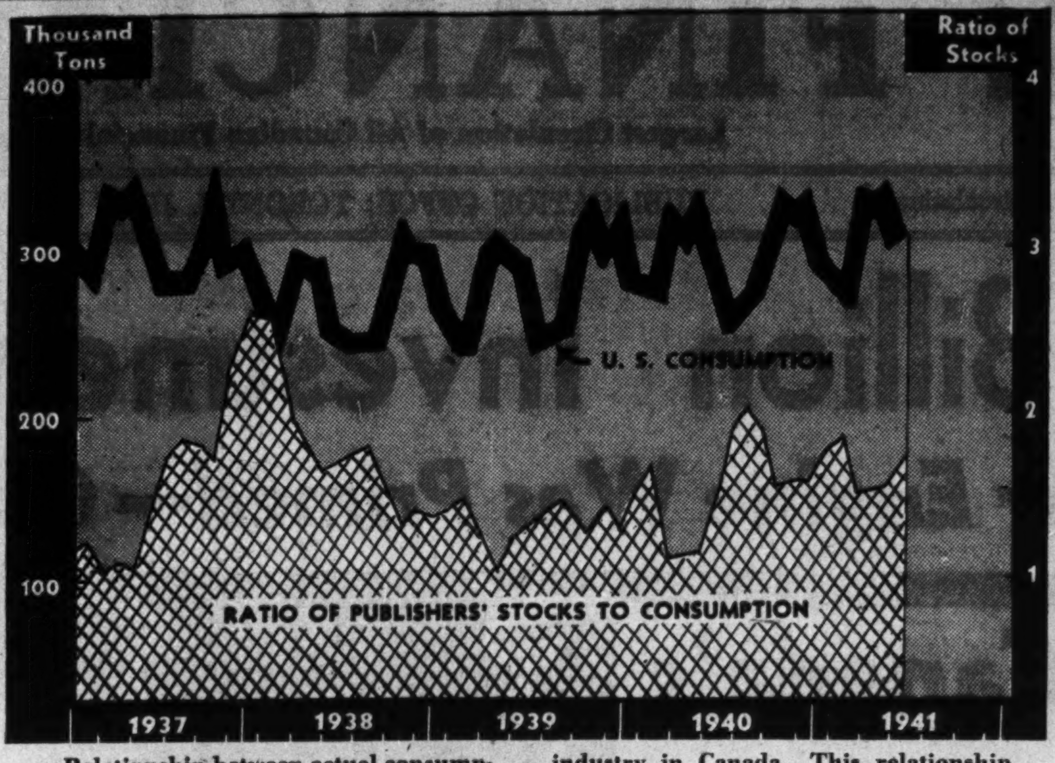
Net was equal to 28 cents a share on the combined A and B stock, against nine cents.

Operating Statement
9 Months Ended May

	1941	1940
	$	$
Operating profit	753,510	307,449
Add: Misc. inc.	25,379	9,602
Total income	778,889	317,051
Less: Salaries, etc. ..	27,592	27,585
Bank loan int.	9,238	......
Deb. interest	......	663
Depreciation	118,622	119,494
Income tax	313,670	65,421
Net profit	309,766	103,887

Aluminium Ltd. to Pay $2 on Common Stock

Aluminium Ltd. has declared a dividend of $2 a share on the common stock, payable in Canadian funds Sept. 5 to shareholders of record Aug. 15. This is the same rate as was paid in the previous quarter.



Relationship between actual consumption of newsprint in the United States and amount of newsprint held in stock by publishers gives valuable clue as to probable trends of production in the industry in Canada. This relationship has been fairly steady since the period at the end of 1937 when publishers stocked up in anticipation of price increases.

Anglo-Nfld. Co. Earnings Rise

Net Amounts to $656,311 in 1940, Against $582,130

From Our Own Correspondent

MONTREAL — Anglo-Newfoundland Development Co., Corner Brook, Nfld., reports net profit of $656,311 in 1940, compared with $582,130 in 1939. Earnings on the outstanding capital amounted to 7⅝% a share in 1940, compared with 6¾ in the preceding year. Dividends of 5% were paid in both years.

The company normally supplies the London Daily Mail and associated companies with newsprint and also controls Terra Nova Properties, which holds a 50% interest in Buchans Mine, Newfoundland base metal producer.

Mining Income Drops

Improvement in operations was due entirely to betterment in the pulp and paper branch of the company's activities. There was no dividend received from the Terra Nova interest, compared with $516,285 in 1939.

The Corner Brook mill operated at capacity all year and output of sulphite pulp was increased to 60 tons daily. Additional equipment was installed to handle excess groundwood.

Mining Output Gains

Terra Nova Properties mined and milled 489,000 tons of ore in 1940, against 468,669 tons in 1939, while production totalled 205,072 tons of concentrates and 195,706 tons, respectively.

Net earnings of the mine were affected unfavorably, however, by disruption of previous arrangements for disposal of concentrates and a sharp rise in ocean shipping rates.

Terra Nova Properties is expected to contribute to the revenue of Anglo-Newfoundland Development in the current year.

U. S. Newsprint Use Slows Down

Returns For June on Same Level as 1940—Half-year Shows Gain

Despite an advance in advertising linage, total apparent newsprint consumption of all U. S. publishers in June amounted to 313,589 tons, or practically the same as a year ago, according to the Newsprint Association of Canada calculation based on returns of the American Newspaper Publishers Association.

Last June the advertising linage in 52 U. S. cities increased 5% over the same month a year ago, compared with the corresponding rate of 2.1% in May.

Normally, an increase in volume of advertising is accompanied by a larger consumption of newsprint, but the amount of paper used last month increased only 990 tons or 0.3% over June last year.

For the first half of 1941 apparent consumption of newsprint by all U. S. publishers totalled 1,898,223 tons. This contrasts with 1,828,928 tons for the like period of 1940, an increase of 2.7%. This is in line with a report made earlier in the year.

Makers of Fine Paper Cut Use of Titanium

Fine paper makers have agreed, at the request of the Government, to reduce their consumption of titanium dioxide, a white pigment used by paper mills to brighten papers and to make more opaque.

This move is coincidental with the step already taken to curtail the use of chlorine by 10%. Chlorine is used as a bleaching agent in the manufacture of pulp for use in fine papers, rayons, etc.

Eddy Co. Builds Sulphur Plant

E. B. Eddy Co. announces immediate construction of a new acid plant in which Canadian pyrites will be used instead of imported sulphur in the manufacture of chemical pulp.

According to W. S. Kidd, general manager, the new plant will result in conservation of U. S. exchange to the extent of approximately $100,000 a year. It is expected the unit will be in operation early next year.

A similar plant has been operating at Three Rivers for some time past, output being supplied to mills in the St. Maurice area.

U. S. Pulp Output to May 31 13% Ahead of 1940 Returns

From Our Own Correspondent

With 89% of the industry reporting, United States Pulp Producers Association records woodpulp output in the United States during May of 723,929 tons. This contrasts with 650,071 tons in the same month last year with 86% of the industry reporting.

Expansion in demand is indicated by the fact that last May producing mills used 573,381 tons, or 73,000 tons more than a year ago. Sales, both foreign and domestic, at 156,087 tons were 14,000 tons greater than in May, 1940.

Chemical Grades Up

Sulphite pulp production in May this year of 233,446 tons, compared with 218,276 tons last year, while sulphate pulp output at 355,960 tons contrasted with 306,110 tons a year ago. Groundwood production shows practically no change.

A detail breakdown of the United States pulp production last May follows:

RETURNS FOR MAY, 1941

Grades	% of ind'y. capacity reporting	Prod'n. during May	Used by producing mills	Sales foreign & domestic	†Stocks on hand end of May	Imports during May
Total, all grades*	89%	723,949	573,381	156,807	149,511	94,123
Total Sulphite ..	98%	233,446	125,551	111,735	55,382	60,939
Bleached	100%	140,945	76,099	66,797	32,895	33,692
Unbleached ...	95%	92,501	49,452	44,938	22,487	27,247
Total Sulphate ..	96%	355,960	329,552	35,319	27,186	15,194
Bleached	100%	59,059	52,290	6,263	6,049	5,252
Unbleached ...	95%	296,901	277,262	29,056	21,137	9,942
Groundwood ..	67%	115,268	105,871	4,265	56,614	17,338
Damaged, off-quality & miscellaneous	75%	19,275	12,407	5,488	10,329	652

†Total, for own use and sale, of pulp of own manufacture (does not include stocks of purchased pulp).
*Except soda.

Canada Boosts U. S. Paper Sale

Returns For Half Year on Higher Scale; Record Set By Newfoundland

From Our Own Correspondent

MONTREAL—United States publishers' greater dependence upon Canada for their newsprint supply is evidenced by figures released by the American Newspaper Publishers Association. During the first half of 1941, American supply of paper totalled 1,900,981 tons, of which Canada supplied 1,290,339 tons or 68%. During the like period of 1940, Canadian mills supplied 67% of the American market's requirements of newsprint.

A feature of these returns is not the large amount supplied by the Canadian mills, but the substantial increase in deliveries to the American market from the Newfoundland mills.

In the first half of 1941 the two island mills, Bowater's and Anglo-Newfoundland, shipped 105,068 tons to the U. S. This contrasts with 76,031 tons and 38,783 tons in the like period of 1940 and 1939, respectively.

The gain in shipment to the U. S. market by the Canadian and Newfoundland mills was at the expense of the Scandinavian operators. During the first half of this year imports from Europe amounted to approximately 2,300 tons. In the same half of 1940, U. S. imports from abroad totalled 28,372 tons and in the first half of 1939, 159,466 tons.

The sources of United States newsprint supply in the first half of 1941, 1940 and 1939, follow:

Sources U. S. Newsprint Supply
January-June

From	1941	1940	1939
Canada	1,290,339	1,239,755	1,008,996
Nfld.	105,068	76,031	38,783
Scan.	2,300	28,372	159,466
U. S.	503,274	499,297	472,615
Total	1,900,981	1,843,455	1,679,860

Canada Retains N. Z. Newsprint Market

Shipments Increase in 1940 But Likely to Be Lower For Current Year

From Our Own Correspondent

MONTREAL—Canada will continue to supply the entire New Zealand demand for newsprint for at least another four years, a contract giving Canada sole right to export newsprint to New Zealand not expiring until 1945.

Last year New Zealand imported Canadian newsprint valued at $1,452,639, according to the Department of Trade and Commerce. This compares with $1,250,298 in 1939. The advance in shipments last year was due to purchases for stock against a possible wartime shortage.

Indications are that for the current year shipments from Canada to New Zealand will be on a lower basis, as the New Zealand Government has requested publishers to reduce consumption by cutting the size of their publications.

U. S. Paper Industry Has a Month Backlog

MONTREAL. — Paper production in the United States set a new high mark in the week ended June 28, when the American Pulp and Paper Association index of paper mill activity reached 101.3%. This compared with 99.7% in the preceding week and 92% in the week ended June 29, 1940.

Paper Supply At High Point

Newsprint Stocks at End of June Larger Than Usual

From Our Own Correspondent

MONTREAL—Stocks of newsprint paper on hand with the mills and publishers totalled 786,178 tons at the end of last June. This is the highest figure ever reported for that particular time of the year, but is still well under the all-time record of 943,161 tons reported at the end of December, 1937.

Examination of the stock position at the end of June, with that at the close of the same month a year ago, shows a decline in stocks at Canadian and American mills. The Newfoundland mills reported an increase of nearly 12,000 tons, but the biggest gain was scored by the U. S. publishers.

Big Gain by Publishers

Publisher stocks at the end of last month totalled 533,055 tons, an increase of 114,000 tons over that reported a year ago. This reflects, in part, accumulation of stocks beyond normal to take care of possible difficulties in deliveries. More important, however, is the fact that the higher stocks are direct evidence of the publishers' co-operative move with the manufacturers to take deliveries of their requirements in equal monthly quantities.

Whether or not this publishers-manufacturers policy is wholly successful will be shown after the close of navigation when the rise in stocks should be less than seasonal.

Position of Inventory

The position of North American newsprint stocks in June with comparative figures for last year, follows:

(As at end of June)

	1941	1940
Canadian mills	165,898	180,569
U. S. mills	12,063	17,543
Nfld. mills	75,162	63,591
Mill stocks	253,123	261,703
U. S. publishers	533,055	419,376
All stocks	786,178	681,079

Holiday Cuts Production Of U. S. Paper Mills

Paper production in the United States was cut sharply in the week ended July 4 owing to the July 4 holiday. The index of the American Paper & Pulp Association dropped to 75% of capacity, compared with the record high of 101.3% in the preceding week and 69% in the week ended July 6, 1940.

Paperboard production also declined to 74% of capacity, against 90% in the preceding week.

Australia Cuts Newsprint Use

Effective July 1 the size of Australian newspapers was further restricted. Voluntary rationing now operating, saved 33% on newsprint consumption during the year compared with two years ago. Additional restrictions will save 35,000 to 45,000 tons of newsprint a year which, added to the existing curtailment, will save a maximum of 108,000 tons a year. This, in effect, means Australian publishers have reduced their consumption of newsprint paper by about 50% since the start of the war.

THE ONTARIO PAPER COMPANY
LIMITED
Mill and Head Office — Thorold, Ontario.
Together with its wholly owned subsidiary
Quebec North Shore Paper Company Limited
Head Office — 680 Sherbrooke St. W., Montreal, P.Q.
Mill at Baie Comeau, P.Q.
Manufacturers of Newsprint for
THE CHICAGO TRIBUNE
THE NEW YORK DAILY NEWS

Your Washrooms will be better —and your towel costs less—with
Interlake
PAPER TOWELS
Ask about the Interlake Vertical Dispenser
INTERLAKE TISSUE MILLS CO. LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER

Paper Stocks Move Ahead

From Our Own Correspondent

MONTREAL. — Pulp and paper stocks have shown a steady comeback in market value. Though the gains of late have not been pronounced, many are selling near their high for 1941, while the gain from the low, on a percentage basis, has been quite marked in some cases.

The trend of values this year for some of the more actively traded stocks:

1941 Trend

	Current	High	Low
Abitibi com.	.80	.85	.55
Abitibi 6% pfd.	6	7⅞	4
Bathurst A	11⅝	13	10⅛
Cons. Paper	3⅝	4¼	4⅝
Donnacona A	4	5¾	2⅝
Dryden	5	5½	4
Fraser	9	10½	7
Howard Smith	14	14¾	11
Lake St. John	9	11	7
Price Bros.	11	12½	8¾
Do., pfd.	67¼	67½	63
St. Law. Corp. pfd. ..	15¼	17	13¾
St. Law. Paper pfd...	35	40¼	31⅛

New Building

WAR PROJECTS

War construction launched by recent contract awards of the Dept. of Munitions & Supply:

Additions to Dominion Arsenal, Quebec, $56,000, and Fairchild Aircraft plant at Longueuil, $40,000.

Unit at R.C.A.F. station at unnamed point in British Columbia, $50,000.

Reported by Engineering & Contract Record:

Provincial Transport Co. has awarded general contract at $250,000 for construction of garage project in Montreal.

Capital Brewing Co. is starting work on $50,000 addition to brewery in Ottawa.

Hayes Steel Products Ltd. has let general contract for $75,000 addition to plant at Merritton, Ont., and $35,000 extension of forge shop.

Wallace Barnes Co. is extending plant at Hamilton at estimated cost of $80,000.

J. M. Schneider Ltd. has awarded general contract for $75,000 programme plant alteration and addition at Kitchener, Ont.

LEAVES IT CO.

James A. Traviss of Traviss, Schofield & Co., Toronto investment firm, announces that he has resigned as a director of The It Co., Ltd.

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INSULATING PRODUCTS
FOR EVERY INSULATING PURPOSE
Alexander MURRAY & Company
LIMITED
MONTREAL TORONTO HALIFAX
SAINT JOHN WINNIPEG VANCOUVER

A Good Name
For over 70 years the name Maclaren, in the Ottawa Valley, has stood for fair dealing and a quality product.
Newsprint—Groundwood
270,000 h.p. Hydro Power Installed capacity
MACLAREN POWER & PAPER COMPANY
Maclaren-Quebec Power Company
The James Maclaren Company Limited
BUCKINGHAM, QUEBEC

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

NATIONAL STEEL CAR Corporation Limited
AIR CRAFT DIVISION at Malton, Ontario
Fully equipped for manufacture and production of the most modern aircraft
Modern Builders of Railway Passenger Cars —Freight Cars—Snow Plows—Street Cars — Air Dump and Industrial Cars of all descriptions. Automobile Chassis frames and Parts — Steel Pressings — Forgings — Drop Forgings.
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Montreal, Quebec

Does This Tax Penalize Wise Investment?

Here's What Excess Profits Do to Investment Trusts

When Parliament amended the Excess Profits Tax Act at its 1941 session it adopted certain qualifications whereby companies or individuals could be exempted from the new excess profits tax. One of these exemption clauses refers to "diversified investment corporations", more often known as investment trusts.

As Section 7F of the amended act now reads, investment trusts do not have to pay excess profits tax if they can show that:

1. Their capital is 80% or more invested in securities or held in cash;
2. Not less than 95% of their gross income comes from their investments;
3. Not more than 10% of their capital is invested in stocks or bonds of any one corporation or debtor, with the exception of Dominion, provincial or municipal bonds;
4. Their shares are held by at least 50 persons, no one of whom holds more than 25% of all the capital;
5. At least 85% of net income is distributed to shareholders.

Can't Have Bonds

There is one other qualification for exemption. As the amended act reads "the corporation or joint stock company shall have no outstanding bonds, debentures or other securities evidencing funded indebtedness."

It is in this last item that the main distinction lies. The fact that certain investment trusts have bonds outstanding means that they have to pay excess profits tax. Others which have no funded debt are exempt from this tax.

Thus investment trusts are divided into two groups. One group by virtue of not having any bonds outstanding pays the regular 18% Dominion corporation income tax, plus any provincial taxes that be applicable, on the portion of its income that is taxable. Another investment, trust, which has bonds out or debentures outstanding, has to pay the regular 18% rate, plus provincial taxation, plus excess profits tax of either 22% or 75% of the amount by which taxable income of the current year exceeds standard profits, whichever is the greater, or a minimum of 40% in Dominion taxation alone.

Among the better known Canadian investment trusts, this means that they can be divided as shown in the panel in column 5.

Divided on this basis, and assuming that the other qualifications are met on the same basis by each of the above investment trusts, as appears to be the case, the first group pays Dominion income taxes of 18% on taxable income. The latter group pays a minimum of 40% in Dominion income and excess profits taxes. In each case provincial taxation would be additional.

Income Taxed

Taxable income for investment trusts means roughly any income they receive in bond interest from Canadian debtors or dividend or interest income from foreign sources, including the United States. They do not pay Dominion income taxes on dividends received from Canadian companies on the basis that the companies paying the dividends have already paid all taxes applicable to this income before the dividends are declared.

Regarding provincial income taxation, the regulations vary between provinces and may again be altered by provinces withdrawing from corporation income tax fields as a result of the proposals included in the last Dominion budget. In Ontario the present rate is 5%. This applies, so far as investment trusts whose head offices are in Ontario are concerned, on all net taxable income except to the extent that income of Canadian companies from which dividends have been received has already been taxed by Ontario.

Hits Investment Policies

A major effect of this tax tangle will be on investment policies of the various trusts. In actual dollars the tax saved by a company exempt from E.P.T. which has the majority of its income in stocks may not be very large. But the company may lose much more in flexibility in managing its portfolio.

Suppose, for example, conditions developed which convinced the management of an investment trust—one that was at present exempt from excess profits tax—that safety was the most desirable objective at the moment and that to achieve this they decided to sell stocks and buy high grade bonds. The way Canada's present excess profits and regular corporation taxes work for investment trusts the result would be a heavy penalty through higher taxes. Bond interest is taxable but dividends on Canadian stocks are not.

Suppose a trust received $20,000 income in the form of bond interest and its four year average of income from this source was $25,000. If such a company decided that to preserve its capital it should shift to the highest class of investments and thus raised its interest income to $75,000. it would have to pay excess profits taxes, as well as regular corporation taxes on this sum.

Penalizing Wise Investor

Another example is obtained from the experience of an investment trust with bonds outstanding. If this trust had rid itself of all its weak stocks and switched to good bonds in 1929, it could have saved many thousands of dollars in market value of its portfolio. But supposing that it had been getting income of $200,000 from these stocks on which income taxes at present regular rates would be $3,500. If it had switched its portfolio so this same amount of income was obtained from bonds, present taxation scales would have meant payment of $82,000. This is a high penalty to pay for the preservation of capital and exercise of investment wisdom.

In the United Kingdom, The Financial Post is told, investment trusts pay no income tax. They have to pay excess profits tax on the portion of earnings not distributed to shareholders, less a proportionate share of expenses.

The United States places no limitations or qualifications as to capital set up on investment companies to qualify for exemption from taxation. In that country they have to pay taxes on any income not distributed only.

How E.P.T. Discriminates Among Investment Trusts

Exempt	Not Exempt
No bonds or debentures outstanding	Bonds or debentures outstanding
Canadian General Investments Ltd.	Dominion - Scottish Investments Ltd.
Third Canadian General Invest. Ltd.	Economic Investment Trust Ltd.
Canadian Investment Fund, Ltd.	United Corporations Ltd.
Corporate Investors Ltd.	Canadian International Investment Trust, Ltd.
Canadian Investors Corp.	Canadian Power & Paper Investments, Ltd.
Dominion & Anglo Investment Corp.	Great Britain & Canada Investment Corp.
United Bond & Share Ltd.	Aldred Investment Corp. (Canada)
Hydro - Electric Securities Corp.	Hydro-Electric Bond & Share Corp.
Investment Foundation Ltd.	London Canadian Investment Corp.

THE FUTURE ASSURED

A trust fund in the care of this company as trustee is a safeguard of the family welfare. Such a fund established in your lifetime will enable you to see it in operation and may prevent the wasting of your estate through the inexperience of your executors.

By establishing such a trust fund you are assured that your financial provisions for your family will be carried out in accordance with your wishes.

Our Charges Are Moderate

MONTREAL TRUST COMPANY
Montreal Trust Building
61 Yonge Street Toronto
J. F. HOBKIRK, Manager

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870

DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1940), $12,147,569
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

New Books

Italy's Tragicomedy

SPURS ON THE BOOT. By Thomas B. Morgan. Published by Longmans, Green & Co., Toronto. Price $3.

The King of Italy was opposed to Mussolini's joining up with Hitler to form the Axis. He let Mussolini make the first "temporary" manoeuvres. Then it was too late to protest; once in, Italy could not get out. The King had to resign himself to the situation.

So says Thomas B. Morgan, for 20 years an American newspaper correspondent in Rome, in this behind-the-scenes story of Il Duce's Italy. Incidentally, Morgan criticizes the King for his "lack of royal self-assertion." All Mussolini's good generals had advised him to stay out of the Axis; the King should have "remained firm, unshaken, faithful to his throne and his people," says Morgan.

"Spurs on the Boot" is a witty but very informative story of one of the most important figures of our times. Morgan knew Mussolini as few foreigners could know him. He "ghosted" the series of articles that Il Duce wrote for American newspapers. Morgan thus came to be an intimate of Mussolini; he saw him in his off moments and was able to peer behind the gold braid, the bombast, the vain ambitions and the false Caesarism of the man. He shows Mussolini to have the morals of a hyena, the sex habits of a mongrel dog and the personal loyalty of a Judas. He confirms the impression that many other observers have reported; that Mussolini did much for Italy, withal by frequent use of gangster methods, but has lighted a fuse to destroy it all by dedicating Italy to military conquests which the people do not want, which the army can not deliver and which have estranged Italy from the nation which should and could have been its friend—Britain.

The personal picture that Morgan paints of Mussolini is a fascinating one.

Morgan is the man who wrote "A Reporter at the Papal Court." His second book will strengthen his reputation as a discerning reporter, a witty raconteur and a wise analyst of the trends behind the news.

Life's Indian Summer can go on and on,

when you own an Imperial Life Retirement Income Policy

Mr. R. looked ahead now he gets $300 every month

Mr. R. thought so well of Imperial Life Assurance as an investment that he went "all the way" with it. Back in 1919 he took out the first of several Imperial Life Continuous Income Policies, which began to mature in 1931.

Today, still in good health, he receives a minimum of $300 every month. All for a little foresight, but little sacrifice — and Imperial Life.

You can have $100, $150, $200 or more every month. Imperial Life will promise you this, and Imperial Life keeps every pledge.

Your part is only to decide how large a monthly cheque you will need at 60-65—whenever you wish to let the younger generation carry on. You deposit a stated amount at stated intervals and—that's all.

Guarantee yourself an enjoyable, care-free "Indian Summer" with no financial worry, which in itself is often a detriment to health. See the Imperial Life representative today.

LET US SEND YOU THIS BOOK
The title is: "*How People Use Life Insurance.*" You'll find it very helpful. It is free. Write Imperial Life Assurance Co., 20 Victoria Street, Toronto, Ont.

IMPERIAL LIFE

Municipal Finances

FORT WILLIAM, ONT.—Total tax collections in Fort William in the last three years have run respectively 106.12% of the total levy in 1938; 104.44% in 1939 and 107.32% in 1940. Net debt of the city after deducting sinking fund stood at $3.26 millions in 1938, $3.04 millions at the end of 1939 and $2.88 millions at the end of 1940. Outstanding debentures totalled $5.7 millions and total investments, including cash on hand, in the sinking fund amounted to $2.8 millions.

* * *

MONTREAL, QUE.—Annual financial statement for the period ended April 30, 1941, shows the city's net debt reduced by $1,729,601, resulting from the rigid economy imposed on the city by the Provincial Government. Net debt at the close of the 1941 fiscal year amounted to $205,801,660. Revenues increased to $53.6 millions as against $52.6 millions the year before, expenditure rose from $51.6 millions to $52.5 millions. Surplus of $1,086,801 for 1940-41 was about $4,000 higher than in the previous year.

* * *

BRANTFORD, ONT.—Annual financial statement of the city of Brantford includes financial statistics back to 1936. In the five years covered, total tax collections have risen from 95.54% of the current levy to 103.87% of the levy in 1940. Tax rate of 44.5 mills in 1940 was 1 mill higher than in 1936, but 2 mills lower than in 1938. Total debentures outstanding have decreased from $5,155,208 in 1936 to $4,102,523 at the end of 1940. In addition, the city has had sinking fund reserve and surplus amounting to $1,041,035 at the end of 1936 and $970,502 at the end of 1940.

* * *

SASKATOON, SASK. — Net debenture debt of the city of Saskatoon dropped approximately $500,000 in 1940, leaving a balance of $6,494,146 outstanding. This compared with $8,344,609 at the end of 1936. Total amount of issued debentures at the end of 1940 was $12.8 millions, against which was an accumulated sinking fund of $6.3 millions. Building permits issued in the city totalled $1,150,215 last year as compared with $251,494 in 1939. Tax collections improved in 1940, total collections amounting to 110.67% of the current levy against 104.26% in 1939 and 93.48% in 1937. Tax arrears in the 1940 balance sheet amounted to $906,905 against $969,427 the year before.

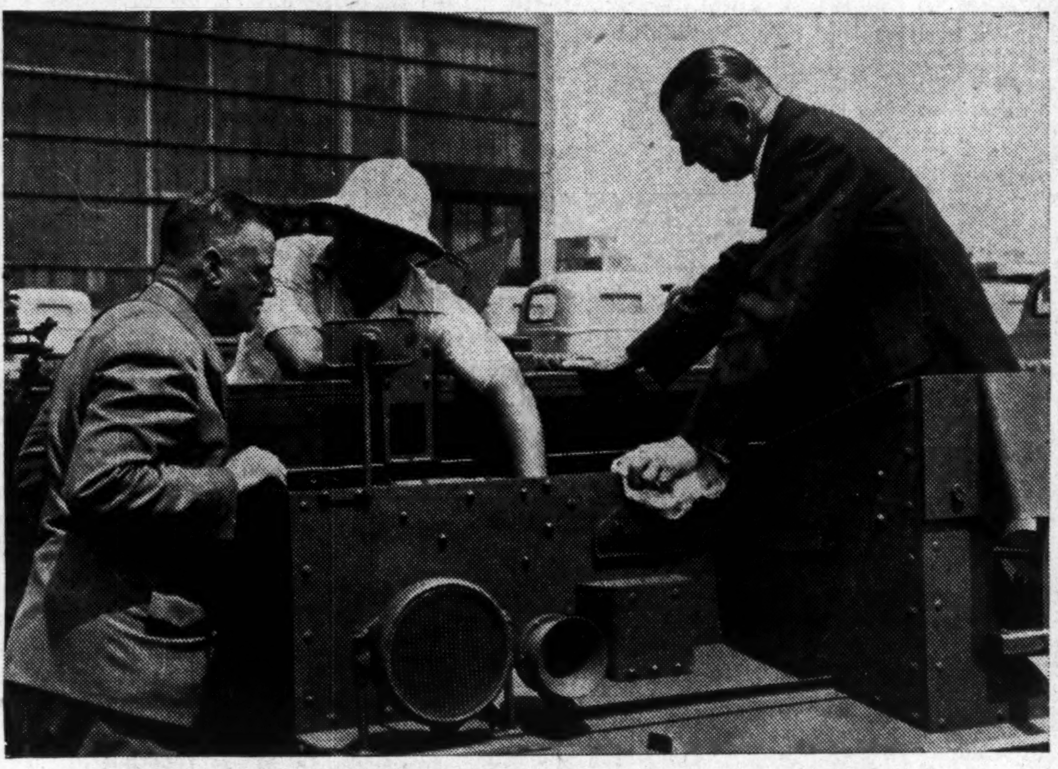
W. E. N. BELL
Taxation & Insurance Consultant
505 Metropolitan Bldg., Toronto
AD. 5457

WAR CALLS FOR THRIFT

When the government wartime programme calls for money, be prepared. Be in a position to write your cheque. Have a balance in your savings account constantly growing. Open an account with the Canada Permanent and make deposits regularly and systematically.

2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

CANADA PERMANENT
Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $67,000,000.



In Canada to obtain war supplies for the New Zealand forces, the Rt. Hon. R. G. Coates, member of New Zealand's war cabinet (right) inspects a Universal carrier at the Canadian Ford plant with Col. A. B. Williams, director of artillery with New Zealand staff headquarters. A Ford test driver explains the operating mechanism of the armored fighting machine. More than 120,000 military vehicles have been supplied to Empire forces from Canada and of this total more than 75,000 have been produced in the Ford plant at Windsor. Many of these units are being used by New Zealand's army.

Your Investments

What We Do:	What We Don't Do:
1. Give information on Canadian securities to Financial Post subscribers.	1. Answer enquiries of non-subscribers.
2. Publish anonymously letters of general interest.	2. Answer enquiries on foreign securities.
3. Supply facts rather than opinions.	3. Reply by telephone or telegraph.
	4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

International Utilities

I am under the impression that a dividend was declared early this year on the $1.75 preferred stock of International Utilities. As I have not received my cheque, could you inform me of the exact position in connection with this dividend?

No dividend was paid this year to date on the $1.75 preferred stock of International Utilities. The intention to pay dividend on this class of stock was announced at the same time as the dividend on the $3.50 preferred stock. Both of these were subject to the approval of the Securities and Exchange Commission at Washington, and the dividend on the $1.75 stock was not approved.

Reason for the refusal to approve this payment was apparently the fact that the dividend would be payable out of surplus. The Securities and Exchange Commission has since refused to continue the certain exemptions from the Public Utilities Holding Company Act which had formerly been permitted in the case of International Utilities and its subsidiary, Dominion Gas & Electric Company.

A hearing has been called for Aug. 6, to consider reorganization of the company's financial structure.

St. Boniface, Man.

What is the present position of the debentures of the city of St. Boniface, Manitoba? Will a payment on interest be made this year?

Finances of the city of St. Boniface, Man., are now being operated on a five year temporary plan which comes to an end this year. Under the plan all funds available for debt charges are divided one-third for the redemption of bonds purchased on the open market, two-thirds for the payment of interest on the outstanding obligations. Payment on account of 1940 interest will be made at the rate of 40% of the coupon value. Final details as to when, where and in what manner the coupon will be paid, have not yet been released. To ensure that you will receive notice of the time and place of payment, you should write to T. Brassard, chairman of the debenture holders committee for St. Boniface, at 925 St. Denis St., Montreal.

Approximate current market price of St. Boniface bonds is 38 bid, 42 offered. These prices are, of course, only approximate and variations would apply in the case of different maturities and interest rates.

Windsor Separate Schools

In a recent issue of The Financial Post, reference was made to a forthcoming payment on the debentures of the Windsor Separate School Board. Since I hold one of their 6% debentures due in 1940 I would appreciate learning what further steps have been taken in this connection.

You are entitled to collect a principal repayment on your 6% bond of the Roman Catholic Separate Schools Board of Windsor, amounting to 4.66% of the face value of the bond. This payment is being made on principal, out of funds made available to the board at the time of the amalgamation of the several municipalities which now form the city of Windsor. Acceptance of the payment does not alter your claim to back interest or otherwise change your standing as a creditor of the board with the exception of lowering the principal of your claim by the amount of this payment.

Payments on these bonds have not been made since 1932, and the current separate school rate is only sufficient to pay approximately $20,000 to bond holders, which amounts to something less than 1% of the annual interest, allows nothing for principal repayment. Recently the case between the separate school board, the public school board and the Ford Motor Co. of Canada came before the Privy Council. The hearing is completed, but no decision has yet been rendered. If this decision is in favor of the separate schools, their board would be entitled to receive some $10,000 to $12,000 from the Ford Motor Co., and would probably receive considerably larger amounts from other manufacturing and industrial companies in the district.

The separate schools do not tax at a rate sufficient to meet debt charges, partly on the grounds that raising the separate school rate might cause separate school supporters to shift to public schools, and hence reduce the total revenues of the separate school boards. If the Ford case goes successfully, there is a chance that the public school boards will now have to raise their tax rate, and this might permit the separate school to raise its rate correspondingly, and thus make more money available for the debenture holders.

To receive your principal payment of 4.66%, you should send to the Guaranty Trust Co., in Windsor, or Toronto, for a letter of transmittal, on completion of which you would forward your debentures to the Guaranty Trust for payment and for endorsement of the bonds showing that payment has been received. Your bonds would then be returned to you together with the payment.

St. Regis Paper Revalues Stock

Directors Propose to Slash Appraisal of United Corp. Holdings

From Our Own Correspondent

MONTREAL. — St. Regis Paper Co., which has extensive timber holdings in Quebec, has called a special meeting of shareholders for July 31 to act on the proposal of the directors to slash the value of certain investments.

Principal change proposed will be writing down of the company's investment in 1,341,666 common shares of United Corp. to $1,845,000, the approximate market value at the end of 1940, from the book value which is cost of $16,553,504.

In restating the value of investments the full amount of the company's earned surplus of $2,330,583 earned since Jan. 1, 1936, will be eliminated and the balance or the earned deficit of nearly $17 millions will be charged against capital account.

St. Regis Paper Co. and subsidiaries report for five months ended May 31, 1941, subject to audit, showed net profit of $1,455,833 after estimated federal income taxes computed at the 30% rate.

INVESTMENT FOUNDATION

Investment Foundation Ltd. has taken out supplementary letters patent reducing the number of directors from 17 to 10.

Barrett Protects Canada's Vital Industries

Photo—Public Information

Ships .. and More Ships...

Britain has asked for them and, to the best of her ability, Canada will supply them . . . ships, tanks, aircraft, guns and the men to man them. No contribution or sacrifice is too great to ask, to hasten the day of Victory . . . to preserve the free way of life.

To fulfill this obligation, the industrial production of Canada has been stepped up to an all time high, but further expansion will be necessary. To house these vital war industries, old buildings must be renovated and new extensions built. These buildings will need complete protection from the weather.

This is no time to risk roof failures — valuable stocks may be ruined or production slowed down. The best safeguard is a Barrett Specification Roof. The combined experience of architects, engineers and roofing contractors over the past eighty-seven years has proved the outstanding qualities of Barrett felt, pitch and gravel built-up roofs. The materials, specifications and application methods used in these roofs assure a durable, serviceable, stable and practical type of roofing membrane that defies the weather. Today, there are many Barrett roofs 30, 40 and 50 years old and still giving trouble-free service.

For new construction or reroofing work specify — "Barrett Specification — no equal".

Barrett Specification* Roofs

"Between the World and the Weather Since 1854"

The BARRETT COMPANY LIMITED
MONTREAL TORONTO WINNIPEG VANCOUVER

*Trade Mark Reg'd

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JULY 21

Range 1941 High	Low	Div R'te $	Jly19 Y'ld %	Stock	Sales	Last July 14	Week end. July 21 H	L	Cl'se
				A					
.90	.50			Abitibi	310	.80	.75	.60	.60
8	4			Do. pref. 6%	295	6	6	5½	5½
12½	8			Do. pref. 7%	25	10	10	10	10
3	1			Acme Glove	....	(1½ bid — asked)			
60	50	6.50	13	Do. pref.	....	(— bid 60 asked)			
12½	11½	80+20c	8	Agnew Surp.	25	12½	12½	12½	12½
108	105	7	6.7	Do. pref.	....	(105 bid — asked)			
1.50	.75			Alta. Pac. Gr.	50	.75	1.00	.75	1.00
30	24½			Do. pref.	....	(25 bid 33 asked)			
10	7			Algoma Steel	280	8¾	8½	8½	8½
97½	84½	5	5.9	Do. pref.	....	(— bid 90 asked)			
115	98	8	7.8	Aluminium	115	104	103½	102½	103
120	117	6	5.1	Do. pref.	....	(112 bid 120 asked)			
7½	5½			Amal. Electric	....	(5½ bid — asked)			
37	37	60c	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
46	44	2.75	6.2	Ang. Can. Tel. p	....	(— bid 47 asked)			
19½	14¾	60+60c	6½	Asbestos	200	19	19	18½	18½
17	14½	1	6.2	Assoc. Brew.	163	16	16½	16	16½
110½	108½	7	6.4	Do. pref.	....	(110 bid — asked)			
•2	2			Assoc. T. & T.A.	....	(— bid 7 asked)			
§24	24	♦48c		Do. pref.	....	(— bid 24 asked)			
§103	101	5.50	5.3	Ault & Wiborg.	....	(98¾ bid — asked)			
				B					
147	140	8	5.7	Bk. Can. Nat.	7	140	140	140	140
195	171	8	4.4	Bk. Montreal	85	180	182	181	182
285	267	12	4.4	Bk. N. Scotia	6	267	270	270	270
250	240	10	4.1	Bk. Toronto	8	243	242½	242½	242½
•5	4½			Barcelona	....	(— bid — asked)			
1.25	.55			Barker's Bread	....	(.35 bid — asked)			
22	16	2.50	14.7	Do. pref.	10	17	17	17	17
13	10	1	8.6	Bathurst Pr.	525	11¾	12	11½	11¾
2½	1			Do. (B)	59	1½	2	1½	2
2½	2			Beath & Sons	....	(2½ bid 3½ asked)			
8	4½			Beatty Bros.	340	6	8	6½	7½
102¾	101	6	5.8	Do. pref.	....	101 bid 102½ asked			
90	88	7	7.8	Do. 2nd pref.	....	(82 bid 92 asked)			
10½	6½			Beauharnois	20	9	9½	9	9½
80	80	4	5	Belding Cort.	....	(— bid 90 asked)			
128	124	7	5.6	Do. pref.	....	(124 bid — asked)			
160½	137	8	5.5	Bell Telephone	371	145	146	144	145½
6½	5	30c	4.8	Bertram & Sons	....	(6 bid — asked)			
8¾	7½	60c	8	Biltmore Hats	130	7½	8	7½	8
6	5			Blue Ribbon	....	(— bid 5½ asked)			
37½	32	2.50	7.2	Do. pref.	....	(34 bid 36¾ asked)			
..	..	60c		Blue Top Br A	....	(9¾ bid 11 asked)			
..	..			Do. (B)	....	(6¾ bid — asked)			
22	20	1.30	5.9	Brant. Cord., pf.	....	(20¾ bid 23½ asked)			
8½	5			Brazilian Tr.	7034	7¾	8	6¾	7¾
5½	2¾	50+10c		Brew. & Distil.	46	3½	4	4	4
6½	6½	30c	4.6	Bright, T. G.	....	(6½ bid — asked)			
90	90	6	6.7	Do. pref.	....	(90 bid — asked)			
18¾	15	1	6.6	Brit. Amer. Oil	991	15½	15½	15½	15½
12¾	9¾			B. C. Packers	270	10	10	9¾	10
26½	22½	2	8	B. C. Power A.	285	25	25	24	24
1.75	1.00			Do. (B)	....	1.30 bid 3.25 asked			
6	4½			Bruck S. Mills	125	5½	5½	5½	5½
15¾	13½	70+10c	5.5	Building Prod.	245	14¾	14½	14½	14½
10¾	7½	60c	6.7	Burlington St'l	....	(7½ bid 9¾ asked)			
				C					
§70	70			Calgary Power	....	(— bid 70 asked)			
102½	98¾	6	6	Do. pref.	....	(98¾ bid — asked)			
2½	1½			Canada Bread	100	1½	1½	1½	1½
100	95	5	5	Do. pref.	....	(100 bid — asked)			
41	35	2.50	6.2	Do. pref. B.	25	41	40	40	40
4½	3½	40c	8.9	Canada Bud	50	4½	4½	4½	4½
7	4½			Canada Cement	112	5½	5	4½	4½
100	89¾	5	5.2	Do. pref.	35	97	96½	95	96½
5¾	5¾	10c		Can. Cr. Stone	....	(— bid 5 asked)			
105½	102¾	5	4.8	Canada Cycle, p	....	(104 bid 106 asked)			
27	20¾	1.50	6.4	C. & D. Sugar	308	24	24	23½	23½
18	15	1.50	8.3	Can. Forg. (A)	....	(16 bid 20 asked)			
18	15½	♦1.50		Do. (B)	....	(16 bid — asked)			
§40	40	‡4.50		Can. Iron	....	(35 bid — asked)			
72	70	‡3		Do. pref.	....	(73 bid — asked)			
§390	390	20	5.1	Canada Life	....	(380 bid — asked)			
39	32	2+50c	7.5	Can. Malting	106	33	33½	33	33½
11	5	1		Can. Nor. Pr.	160	5¾	5¾	5½	5½
99	85	7	8.2	Do. pref.	15	88	85	85	85
87½	74	4	5	Can. Packers	10	82	80	80	80
126	120	8	6.5	Can. Perman.	5	122	123	122	123
9	8	♦1		Can. Starch	....	(8 bid — asked)			
108	108	7	6.5	Do. pref.	....	(108 bid — asked)			
5½	2½			Can. Steamsh's	288	3½	4	3½	4
22¾	16	2.50	11.6	Do. pref.	1099	21	21½	21	21½
8	6½	40c	5.5	Can. Vinegars	....	(5 bid 7¾ asked)			
61	50	4	7.9	Can. W. Cable	20	52	50½	50½	50½
23	17½	1.50		Do. (B)	5	17½	18	18	18
107	106	6.50	6.2	Do. pref.	10	107	106	106	106
¾	½			Can. Bakeries	30	½	½	½	½
29	20	‡2		Do. pref.	10	22	22½	22½	22½
163	143	8	5.4	Can. Bk. Com.	101	148	147½	146½	147
1.00	.50			Can. Breweries	552	.85	.80	.75	.80
25	20	3	12.2	Do. pref.	45	24½	24½	24	24
36	34	1.50+50c	6	Can. Bronze	....	(— bid 34½ asked)			
105	103	5	4.8	Do. pref.	....	(103¾ bid — asked)			
6½	5	50c	8.3	Can. Canners	100	6	6	6	6
20½	18	1+15c■	5½	Do. 1st pfd.	85	20	20	20	20
10	8	60+15c■	8	Do. 2nd pfd.	155	9	9½	9½	9½
10	4½			Can. Car & F'y	125	6¾	6	6	6
27½	19	‡88c		Do. pref.	725	22¾	22½	21½	22
29	18¾	1+25c	5	Can. Celanese	210	24½	25	24½	25
124	110	7+60c■		Do. pref.	11	111	115½	114	114
23	22	1	4.4	Do. Rights	....	(22 bid — asked)			
19	15	‡1.50		Can. Convert.	20	19	18½	18½	18½
106¾	90	4+2	5.9	Can. Cottons	....	(95 bid 107½ asked)			
118½	105	6	5.1	Do. pref.	3005	118½	118½	118	118½
22	14			Can. Dredge	....	(15½ bid 16½ asked)			
100	99½	6	6	Can. Fairb. pf.	....	(95½ bid — asked)			
12½	9	1.40	11.7	Can. For. Inv.	40	12½	12	12	12
105	104	8	7.6	Do. pref.	....	(105 bid — asked)			
220	210	8	3.7	Can. Gen. Elec.	....	(210 bid — asked)			
8½	7	50c	7.2	Can. G. Inv.	....	(7 bid — asked)			
3	1½	10c		Can. Ind. Alc.	690	2½	2¾	2½	2½
2¾	1¾	10c		Do. (B)	200	2½	2¾	2½	2¾
208	150	‡3.25		Can. Indust. B.	57	155	154	152½	154
176	158	7	4.4	Do. pref.	....	(162 bid — asked)			
§.30	.10			Can. Int. I. Tr.	....	(— bid .40 asked)			
50	41	2	4	Do. pref.	....	(40 bid 50 asked)			
14	12	1	7.2	Can. Lt. & Pr.	8	13½	14	14	14
9	5			Can. Locomo.	20	6	7	7	7
.95	.60	4c		Can. Marconi	100	.65	.65	.65	.65
17	12½	50+50c	8	Can. Oil	....	(12½ bid 15 asked)			
121	118	8	6.8	Do. pref.	6	118	118	118	118
6½	4½			Can. Pacific	7421	6	6½	5¾	6½
.50	.10			C. Pr. & Pa. In.	100	.30	.25	.25	.25
2½	1¾			Do. pref.	....	(1¾ bid 3 asked)			
3½	2			Can. Vickers	25	2½	2¾	2¾	2¾
15½	9½			Do. pref.	108	13½	15½	14½	15½
9	9	1		C. Wallpaper A.	....	(9 bid 10 asked)			
9	8	1		Do. (B)	....	(9 bid 10 asked)			
45	36	2	5.2	Can. West'ho'se	....	(38 bid — asked)			
20½	18¾	1.50+12½c▲		Can. Wire Box	75	19½	20	19¾	19¾
1.25	.75			Capital Estates	....	(.75 bid 1.00 asked)			
119	117½	5	4.2	Carnation, pfd.	10	117½	118	118	118
9½	7	50c		Catelli Food	....	(5 bid 10 asked)			
10	8	75c		Do. pref.	....	(8 bid 10 asked)			
2.00	1.70			Celtic Knit.	....	(1.60 bid — asked)			
155	155	8	5.2	Cent. Can. L'n.	....	(— bid 148 asked)			
92	90	4	4.4	Chart. Trust	....	(— bid 84 asked)			
3½	3½			Ch. Gai Wines	50	..	3½	3½	3½
.32	.13			Chem. Research	100	.16	.18	.18	.18
.40	.30			City Gas & El.	....	(.20 bid — asked)			
.10	.05			Claude Neon	....	(— bid .10 asked)			
1.50	1.20	12c		Coast Brew	200	1.25	1.25	1.25	1.25
6½	3¾			Cockshutt Plow	50	5	5	5	5
1.95	1.50	15c		Comm. Alcohol	50	1.50	1.50	1.50	1.50
6	5	40c	8	Do. pref.	225	5	5	5	5
4½	4	‡25c		Conduits Nat.	....	(4½ bid 5½ asked)			
14	8	60c	6	Cons. Bakeries	5	10	10	10	10
.03	.02			Cons. Div. Sec.	....	(— bid — asked)			
8	7	75c	10.5	Do. pref.	....	(7½ bid 14 asked)			
4	2½			Cons. Paper	1275	3½	3½	3	3½
4	3			Cons. Press	....	(— bid 4¾ asked)			
80	80	‡1.50		Cons. Sand, pf.	....	(78½ bid 80 asked)			
40½	31½	1+1.50	6.3	Cons. Smelt.	1234	39	39½	37½	39½
145	111	8	6.9	Consumers' Gas	123	113	116	115	115
40	30	3.50		Corr. P. Box, p.	....	(35 bid 50 asked)			
25	21¾	1.20+15c	6	Cosmos Imp.	10	23½	22	22	22
31	24½	2	8.2	Crown Cork	....	(23 bid 25 asked)			
1½	1½			Crown Dom. Oil	....	(1½ bid — asked)			
35	28	3	9.1	Crow's N. Coal	25	33½	33	33	33
1.05	.50			Cub Aircraft	60	.70	.70	.55	.55
				D, E					
10½	9½	1		David & Fre.	....	(9½ bid — asked)			
1.60	1.00			Do. (B)	....	1.00 bid 2.00 asked			
8½	7			de Havilland	10	7	7	7	7
75	75	♦7		Do. pref.	....	(70 bid — asked)			
1.50	.80			Disher Steel	....	(.80 bid 1.20 asked)			
10	10	♦1.50		Do. pref.	....	(8 bid 12 asked)			
28½	18½	2.22	9.1	Distill-Seagram	575	22¾	22¾	21½	21½
97½	84	5	5.7	Do. pref.	....	(87 bid 93 asked)			
§39¾	39¾	2.50		Dom. Ang. Inv.	....	(30 bid — asked)			
70	70	5	7.2	Do. pref.	....	(70 bid 84 asked)			
200	184	10	5.4	Dom. Bank	45	187	186	185½	185½
27½	21	1.20	5	Dom. Bridge	45	25	25	24	24
21	17¾	1.50	8	Dom. Coal pf.	450	19	18¾	18¾	18¾
28	15			Dom. Engineer.	....	(20 bid 25 asked)			
24	17	1	5.4	Dom. Foundries	165	19	19½	18½	18½
107	105	6	5.7	Do. pref.	....	(105 bid 110 asked)			
126	108	5	4.6	Dom. Glass	....	(106 bid 113 asked)			
155	140	7	4.8	Do. pref.	....	(140 bid 146 asked)			
29½	27½	1.20+40c	6	Dom. Oilcloth	....	(— bid 28 asked)			
.45	.45			Dom. Scot. Inv.	....	(.45 bid .80 asked)			
25	22½	‡2.05		Do. pref.	....	(— bid 22½ asked)			
1¾	1½			Dom. Square	....	(1 bid 1¾ asked)			
9½	6			Dom. St. & C.B.	1211	7½	8	7	7¾
5½	3½			Dom. Stores	115	4½	4¾	4½	4½
5½	3¾			Dom. Tar & Ch.	....	(4 bid 4¾ asked)			
88	82¾	5.50	6.7	Do. pref.	10	87	82¾	82¾	82¾
83	69	5	6.7	Dom. Textile	2	74	74	74	74
155	140	7	4.6	Do. pref.	50	151	153	153	153
1.75	.50			Dom. Woollens	20	1.05	1.05	1.05	1.05
9½	6	60c		Do. pref.	90	8	8	7	7
5¾	2¾			Donnacona P.A.	600	4	3¾	3½	3½
5½	2½			Do. (B)	150	3½	3½	3½	3½
5½	4			Dryden Paper	55	4½	4¾	4½	4½
.50	.50			East Koot. Pr.	....	(— bid 1.25 asked)			
10	6			Do. pref.	....	(6 bid — asked)			
.65	.25			East Dairies	....	(.50 bid — asked)			
9	5½			Do. pref.	69	7	8½	8	8½
13½	10	1	8.3	East Steel	....	(10 bid 13½ asked)			
4	4			East Theat	....	(4 bid 5 asked)			
3	2			Easy Washing	50	3	3	3	3
23	21½	‡1.37½		Economic Inv.	....	(— bid 25 asked)			
8	6	‡40c		Electrolux	....	(— bid 7½ asked)			
3	2			Enam. & Heat.	....	(1 bid 3 asked)			
29	23	2.50	10	English Electric	30	23	25	25	25
5¾	3			Do. (B)	....	(— bid 4½ asked)			
5¾	5	15c	3	Equitable Life	....	(5 bid 10 asked)			
				F, G					
3.00	1.30			Fairchild Air.	75	2.00	2.00	2.00	2.00
20	16	1	6.1	Fam. Players	....	(— bid 20 asked)			
28	21½	1.50+25c	8	Fanny Farmer	115	22½	23	22	22
6	3½			Fleet Aircraft	815	4	4¾	4½	4½
§1.50	.75			Fleury Bissell	....	(.20 bid .75 asked)			
15	13			Do. pref.	....	(12 bid 14 asked)			
16½	14¾	1	6.3	Ford Motor A.	625	15¾	16½	15¾	16
16	15	1	6.3	Do. (B)	100	16	15¾	15¾	15¾
.15	.15			For. Pr. Secs.	....	(— bid — asked)			
13½	10¾	1	7.7	Foundation Co.	105	13	13½	13	13½
9	4½			Fraser Cos.	25	7½	8	8	8
10½	5½			Do. Vot. Tr.	222	8¾	9	7½	9
§.50	.50			Freiman	....	(.50 bid — asked)			
47	41			Do. pref.	....	(40 bid — asked)			
9¾	6	80c	10	Gatineau Pwr.	370	7	8	8	8
90	70	5	6.9	Do. pref.	45	71	72½	72½	72½
95½	75	5.50	6.9	Do. 5½% pref.	20	80	80	78	78
1.25	.25			Do. Rights	....	(— bid 1.00 asked)			
6½	4½			Gen. St. Wares	190	5½	5	4½	4½
94	86	7+27c■		Do. pref.	5	88	89	89	89
80	66	2.50+1.50		Goodyear Tire	....	(70¾ bid — asked)			
56	52¾	2.50	4.6	Do. pref.	69	54½	54	54	54
°50	50	‡3		Gould Pumps	....	(— bid — asked)			
4	2½			Gt. Lakes Pap.	....	(1½ bid 3 asked)			
§29	18½	50c		Do. pref.	....	(— bid 20 asked)			
3¾	1¾			Do. Vot. tr. c.	4	3½	2¾	2¾	2¾
19¾	12	50c		Do. Vot. tr. p.	10	15½	15	15	15
5½	1½			Gt. W. Saddlery	....	(— bid 5 asked)			
30	25	3.75		Do. pref.	....	(23 bid 35 asked)			
11½	9¾	60c	5.4	Greening Wire	....	(9¾ bid 10½ asked)			
§1.25	1.25	10c		Growers' Wine	....	(— bid — asked)			
4½	2½			Gurd, Chas.	....	(2½ bid 4 asked)			
§107½	106½			Do. pref.	....	(— bid 99¾ asked)			
3½	2½			Gypsum, Lime.	5	3½	3½	3½	3½
				H, I					
§21½	21½	1		Halifax Fire	....	(— bid 15 asked)			
5½	2¾			Ham. Bridge	470	3¾	3¾	3½	3¾
36	34½	2+1.75▲	5½	Ham. Cot., pf.	....	(35½ bid — asked)			
.75	.65			Ham. U. Theat.	....	(.50 bid 1.00 asked)			
72	65	5	6.9	Do. pref.	....	(72 bid — asked)			
3½	2½	20+10c		Harding Carpet.	100	3½	3½	3½	3½
.25	.25			Hillcrest Coll.	....	(.25 bid 1.00 asked)			
4	2½			Do. pref.	....	(2½ bid — asked)			
10½	8½	50c	5.3	Hinde & Dauch	....	(9½ bid 10 asked)			
•20	20			Holt Renfrew	....	(— bid — asked)			
35	35			Do. pref.	....	(35 bid — asked)			
17½	14	2	11.8	Honey Dew	....	(15 bid 16 asked)			
14¾	10½			H. Smith Pap.	10	14	14	14	14
101	94	6	6	Do. pref.	21	98	100	100	100
18	14	1	7.2	Humberstone S.	....	(— bid 15 asked)			
4½	3½			Hunts (A)	....	(3¾ bid 4¾ asked)			
5	2			Do. (B)	....	(3¾ bid 7 asked)			
56	52	4	7.2	Huron & E. Mt.	....	(54½ bid 60 asked)			
9½	8	80c		Do. 20% pd.	....	(8½ bid 9 asked)			
.80	.75			Hydro Electric.	....	(.50 bid 2.00 asked)			
205	192	10	5	Imperial Bank.	3	200	200	200	200
10½	8¾	50c	5.4	Imperial Oil	3307	9¾	9½	9	9½
14	11	40+22½c	5	Imperial Tob.	995	12½	12½	12	12½
8	5	6%	4	Do. pref.	150	7½	7½	7½	7½
16	10¾	‡50c		Indust. Accept.	....	(10 bid — asked)			
§36	25	3		Inter-City Bak.	....	(25 bid 30 asked)			
50	39	‡5+1		Inter'c Coal	....	(39 bid — asked)			
§120	120	8	6.7	Do. pref.	....	(— bid — asked)			
16½	13	1.50	11.1	Inter. Bronze	200	13½	13½	13½	13½
25	20	1.50	6.8	Do. pref.	125	22½	22	22	22
.25	.25	♦3c		Int. Coal & C.	....	(.25 bid .40 asked)			
9½	6			Int. Metal Ind.	....	(8¾ bid 9 asked)			
105	93	6+3▲	6	Do. pref.	2	100	100	100	100
100	93½	6+3▲	6	Do. pref. A.	5	100	99	99	99
115½	110	5	4.5	Int. Mill., pf.	20	113	111	110	110
36¾	29½	2	5.7	Int. Nickel	2891	34½	34¾	33½	34¾
2½	2			Int. Paints	....	(2 bid 4 asked)			
15	15	1+25c▲		Do. pref.	7	..	15	15	15
20¾	14½			Int. Pap. & P.	....	(— bid 19¾ asked)			
81	68	5+6.25▲	6½	Do. pref.	10	74½	74	74	74
15¾	13	1	7.3	Int. Pete.	1625	13¾	13¾	13½	13¾
3½	2½			Int. Power	6	2½	2½	2½	2½
89	79¾	7	8.2	Do. pref.	79	83½	86	83	86
•11¾	10½			Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3½			Do. (B)	....	(— bid 4 asked)			
7	5			Int. Util. (A)	100	6½	6	6	6
.25	.10			Do. (B)	3500	.20	.15	.10	.10
				J, K, L					
13	13	68c	5.2	Jam. Pub. Ser.	....	(— bid 13½ asked)			
§135	128	7	5.5	Do. pref.	....	(— bid 125 asked)			
11	8	1	10.5	Kelvinator	....	(9½ bid 10 asked)			
11	5			L. St. John Pr.	1	9	7	7	7
1.00	.40			Lake Sulphite	....	(.75 bid .90 asked)			
16	11½	‡50c		Lake of Woods	10	14	14½	14½	14½
113	110	7	6.3	Do. pref.	....	(110 bid — asked)			
53	43	4	9.3	Landed Bank	....	(45 bid 55 asked)			
12	10	70+12½c		Lang, J. A.	....	(9¾ bid 13 asked)			
•3½	2½			Langley's	....	(— bid 1 asked)			
25	15	2		Do. pref.	25	24	24	24	24
10½	9	80c	8.2	Laura Secord	105	9½	9¾	9¾	9¾
12	6½			Legare, pref.	....	(9 bid 9½ asked)			
3½	2¾	♦15c		Levy Bros.	....	(2¾ bid 3 asked)			
6½	4½			Lindsay, C. W.	....	(— bid 6 asked)			
50	50			Do. pref.	....	(40 bid 50 asked)			
27	24	1+25c	4.9	Loblaw (A)	605	25½	25½	25½	25½
26	22	1+25c	5.4	Do. (B)	426	23	23½	23	23½
				M					
1.00	1.00			Mackenzie Air	....	(— bid — asked)			
2	2			Mackin. Steel	....	(— bid — asked)			
55	50	‡2.50		Do. pref.	....	(— bid — asked)			
15¾	11			Maclaren Pr. p.	....	(10½ bid 15 asked)			
8½	7			M. L. Gardens	....	(8½ bid 10 asked)			
7½	5½	70c	12.7	Do. pref.	....	(5½ bid 7½ asked)			
2.75	1.50			Maple Leaf M.	600	2.12	2.00	2.00	2.00
5	2½			Do. pref.	45	5	5	5	5
16½	15	‡55+10c		Maritime Tele.	....	(— bid — asked)			
16	16	70c	4.4	Do. pref.	....	(16 bid — asked)			
14¾	14¾			Marcus Loew's	....	(15½ bid — asked)			
•100	100	7+3.50▲		Do. pref.	....	(— bid — asked)			
3¾	2			Massey-Harris	1000	2¾	3	2¾	3
42¾	25			Do. pref.	365	41	41	39½	40½
5¾	3			McColl Fron.	54	3¾	3½	3½	3½
98	85	6	6.7	Do. pref.	7	89½	90	89	89
1.25	.75			Melchers	....	(1.25 bid — asked)			
5½	5	30c		Do. pref.	5	5½	5½	5½	5½
•1½	1½			Mercantile Tran	....	(— bid — asked)			
•5	5	6%		Do. pref.	....	(— bid — asked)			
7½	4			Mercury Mills	....	(4 bid 4½ asked)			
47	45	2.50	5.6	Mitchell, J. S.	....	(— bid 50 asked)			
9½	7½	‡50c		Mitchell, Robt.	20	8	9½	9½	9½
16¾	15	80+40c	8	Mod. Contain.	....	(15 bid — asked)			
98	98	5.50	5.6	Do. pref.	....	(— bid — asked)			
§6	2			Monarch Knit.	....	(2 bid — asked)			
75	50	7		Do. pref.	....	(50 bid 63 asked)			
64	55	4	6.7	Montreal Cot.	....	(55 bid — asked)			
118	110	7	6.3	Do. pref.	....	(111¾ bid — asked)			
1.00	.25			Mont. Is. Pr.	....	(.25 bid 2.25 asked)			
29½	20½	1.50	6.8	Mont. L. & Pr.	1614	21¾	22	21¾	22
50½	47½			Do. Notes	26	48¾	48¾	48¾	48¾
15	15	1.25	8.3	Montreal Loan	....	(21¾ bid 22 asked)			
.50	.50			Mtl. Refr. & S.	....	(— bid .50 asked)			
10	9¾	♦1.25		Do. pref.	....	(9¾ bid — asked)			
30	25	°1.53		Montreal Tele.	5	25½	25½	25½	25½
52	15			Montreal Trams	....	(16½ bid — asked)			
47½	41	2.22+60c	6	Moore Corp.	147	44½	44¾	43¾	44¾
188	176	7	4	Do. pref. (A)	....	(177 bid 178 asked)			
279	266	7	2.6	Do. pref. (B)	....	(265 bid — asked)			
.05	.05			Muirheads	....	(— bid .15 asked)			
§1	1			Do. pref.	....	(— bid — asked)			
				N, O					
27½	19	2	8	Nat. Breweries	71	25	25	24¾	25
38¾	35	1.75	4.6	Do. pref.	5	38	38	38	38
5	2½			Nat. Grocers	170	4	4½	4	4½
25½	24½	1.50	6	Do. pref.	5	24¾	25	25	25
8	7			N. Sew. Pipe A.	25	7	8	8	8
38½	30¾	2	5.7	Nat. Steel Car.	195	35	35	35	35
150	140	8	5.7	National Tr.	....	(— bid 146 asked)			
§9½	9½	‡30c		Norn Prod.	....	(— bid — asked)			
25½	18¾	2	10.7	Niag. W. Weav.	....	(— bid 19 asked)			
3	2			Noorduyn Av.	....	(2 bid 2½ asked)			
.90	.35			North Star Oil.	....	(.35 bid .90 asked)			
3¾	3	35c	11.6	Do. pref.	480	3	3	3	3
86	86	6	7	N. S. L. & Pr.	20	86	86	86	86
107	102	6	5.9	Do. pref.	....	(104 bid — asked)			
21½	18	1	5	Ogilvie Flour	140	20	20	19½	20
155	145	7	4.6	Do. pref.	60	153	152½	152	152
113	105	5	4.7	Ontario Loan	....	(106 bid 107 asked)			
§5½	2			Ont. Silknit	....	(— bid 4½ asked)			
45	35	‡2		Do. pref.	....	(39 bid 52½ asked)			
7	7			Do. Scripts	....	(7 bid — asked)			
10	8½	‡25c		Ont. Steel	....	(8½ bid 10 asked)			
§115	110	7	6.1	Do. pref.	....	(— bid 120 asked)			
2.00	1.00			Orange Crush	20	1.00	1.00	1.00	1.00
6½	4½	70c	14	Do. pref.	20	5	5	5	5
8½	5	‡40c		Ott. Car Air	....	(5 bid — asked)			
16	13½	1.20	8.9	Ottawa El. Rly.	20	14	13½	13½	13½
11	5½	60c	10.9	Ott. L. H. & Pr.	2	5½	5½	5½	5½
99	87	5	5.7	Do. pref.	5	90	87	87	87
				P, Q, R					
27	23	3c		Pacific Coyle	....	(23 bid — asked)			
105	95½	5	4.9	Page Hersey	....	104½ bid 108 asked			
4½	4½			Pantepec Oil	....	(— bid — asked)			
30	25	2	8	Paton Mfg.	....	(25 bid — asked)			
115	115	7	6.1	Do. pref.	....	(114 bid — asked)			
50	46	3	6.5	Penmans	....	(47 bid 50 asked)			
124	120	6	4.8	Do. pref.	....	(120 bid — asked)			
16½	14½	1	6.2	Photo Eng.	....	(14 bid 17 asked)			
99	95½	7	7.3	Porto Rico Pr. p	....	(96 bid 100 asked)			
6	2	30c		Power Corp.	40	4½	4½	4½	4½
98	75	6	8	Do. pref.	....	(75 bid 80 asked)			
43	28	3	10	Do. 2nd pref.	....	(30 bid 32 asked)			
9½	7¾	1	12.1	Pressed Metals	45	8	8½	8	8½
12½	8¾			Price Bros.	175	11	10½	9¾	10
70	61	5.50	8.3	Do. pref.	10	67	66½	66	66
7	5½	40c	6.2	Prov. Transport	1740	6½	7	6½	6½
14½	9½	1	9.1	Quebec Power	180	11	11½	11	11
4	4			Que. Telephone	....	(4 bid 4½ asked)			
27	24	2	7.4	Real Estate L'n	....	(26 bid 28 asked)			
5	3	25c		Regent Knit	....	(3 bid — asked)			
18	15½	1.60	9.4	Do. pref.	25	15½	17	17	17
4½	2½			Reliance Grain	....	(3 bid — asked)			
§66	64	6.50	10	Do. pref.	....	(53 bid 60 asked)			
20	15½	2	10.8	River S. Mill	....	(— bid 18 asked)			
§19½	12	60c		Rolland Pap.	....	(— bid — asked)			
11	8	60c	6.7	Do. Vot. Trust	....	(— bid 10 asked)			
95	89	6	6.7	Do. pref.	10	89	89	89	89
167½	148	8	5.2	Royal Bank	91	155	156	154	156
16½	14	80c	4.8	Russell Indust.	....	(15½ bid 18 asked)			
160	145	7	4.4	Do. pref.	....	(152 bid 175 asked)			
				S					
107	103	5.50	5.3	Saguenay Pr.	20	103	104	104	104
34½	34½	‡50c		Sangamo	....	(20 bid 34 asked)			
9	6½			Sarnia Br. (A)	....	(5¾ bid 7 asked)			
§2¾	1½			Do. (B)	....	(1 bid 2¾ asked)			
17	12	90c	6.4	Shawinigan Pr.	400	14½	14¾	14	14
12½	8½			Sher. Wms.	....	(9 bid 11 asked)			
115	108½	7+1.75▲	6	Do. pref.	....	(105½ bid — asked)			
6	3	20c		Silverwoods	450	6	6	5½	6
6½	5½	40c	6.4	Do. pref.	110	6½	6½	6½	6½
6½	5¾	60c	10	Simon & Sons	30	6	6	6	6
106	105	7	6.7	Do. pref.	....	(— bid — asked)			
11	9			Simpson, A.	....	(9 bid 10 asked)			
5	3			Do. (B)	....	(— bid 3¾ asked)			
100	91	6.50	6.7	Do. pref.	10	97	97	97	97
135	132	6	4.5	Simpson, R., pf.	....	(132 bid 140 asked)			
10½	8	80c	8	So. Can. Pr.	85	10	10½	10	10
106	97	6	6.1	Do. pref.	34	99	99	98	99
2.75	1.25			St. Law. Corp.	485	1.70	1.75	1.50	1.50
17	13	1	6.9	Do. (A)	220	15½	15	14½	14½
22	19	1+50c	7.9	St. Law. Flour	....	(18¾ bid — asked)			
112	110	7	6.4	Do. pref.	....	(110 bid — asked)			
40½	31	2	5.7	St. Law. Pap. p	60	35½	35	35	35
12½	8	‡1.25		Stand. Chem.	....	(10 bid 12 asked)			
1½	1			Stand. Clay	....	(1 bid 3½ asked)			
.90	.50			St. Pav. & Mat.	....	(.60 bid .75 asked)			
4	2½	31½c		Do. pref.	80	3½	4	4	4
2¾	2½	10c		Stand. Radio	1595	2½	2¾	2½	2¾
25	18	60+60c	6	Stedman Bros.	....	(18 bid 22 asked)			
70	59½	3	4.7	Steel of Can.	420	64½	64	63½	64
74	64	3	4.4	Do. pref.	275	68½	68½	68	68½
3½	2			Sterling Coal	....	(— bid 5 asked)			
.15	.15			Stop & Shop	....	(— bid .20 asked)			
14	10	80+50c■		Stuart, D. A. pf.	....	(12 bid 14 asked)			
§3½	2½			Supersilk H. A.	....	(— bid 2½ asked)			
3	3			Do. (B)	....	(3 bid — asked)			
§82	72	5	6.9	Do. pref.	....	(— bid 73 asked)			
30	21½	1+25c	5.8	Sup. Pete. ord.	....	(21½ bid 25 asked)			
27	25	1+25c	4.6	Do. com.	....	(21½ bid 32 asked)			
				T, U, V					
11¾	10	80c	7.3	Tamblyn	30	10¾	11	10¾	11
52¾	52½	2.50	4.6	Do. pref.	....	(52½ bid — asked)			
§3	3			Thayers	....	(1½ bid 6 asked)			
§36	20	2.50		Do. pref.	....	(20 bid 35 asked)			
2	1			Thrift Stores	....	(1 bid 2 asked)			
9	8			Do. pref.	....	(— bid 9½ asked)			
10	6	60c	9.2	Tip Top Tailors	....	(6¾ bid 8 asked)			
107	100	7	6.7	Do. pref.	....	(101 bid 107 asked)			
1.50	1.00			Tooke Bros.	....	(1.00 bid — asked)			
13	12			Do. pref.	....	(10 bid — asked)			
21½	19	1	5	Tor. Elevators	....	(17 bid 20 asked)			
45½	42	2.62½	5.8	Do. pref.	4	44½	45	45	45
80	63	4	5.9	Tor. Gen. Tr.	....	(65½ bid 68 asked)			
82	75	5	6.7	Toronto Mtge.	12	75	75	75	75
149	145	7	4.8	Tuckett Tob. p.	....	138½ bid 146 asked			
2.00	1.00			Twin City	20	1.05	1.00	1.00	1.00
26½	26½			Do. pref.	....	(— bid — asked)			
14½	10¾	80+20c	9	Union Gas	627	11½	11½	11½	11½
13½	13	80c	6.2	Un. Amuse. A.	....	(11½ bid — asked)			
13½	13	80c	5.9	Do. (B)	....	(11½ bid — asked)			
85	.60			United Distill	....	(— bid .75 asked)			
38½	30	3	9.2	United Fuel, pf.	15	32½	33	32½	32½
5¾	2½			Do. B. pref.	10	4	3¾	3¾	3¾
4½	1			United Secs.	....	(2½ bid — asked)			
4	2¾			United Steel	600	3½	3¾	3½	3½
4	3			Viau Bisc.	....	(3 bid — asked)			
60	50	5	9.2	Do. pref.	....	(— bid 55 asked)			
				W, Y, Z					
31	23½	2	6.7	Wabasso Cot.	80	31	30	30	30
48	36½	4	9.6	Walker-Good.	395	41¾	42	40½	41½
20½	19	1	5	Do. pref.	636	20	20	19¾	19¾
.80	.50	♦5c		Walkerville Br.	55	.75	.70	.70	.70
§135	120	7	5.4	W. Koot. Pr. pf	....	(— bid — asked)			
1.75	.75			West. C. Flour	50	1.00	.75	.75	.75
25½	14			Do. pref.	....	(17 bid 20 asked)			
60	46	3+1	8.1	West Grocers	....	(49½ bid — asked)			
115	107	7	6.3	Do. pref.	....	(96 bid 111 asked)			
§11¾	11¾	50c		W'minster Pap.	....	(— bid — asked)			
11½	9	80c	7.6	Weston Ltd.	20	10½	10½	10	10½
98	90	5	5.4	Do. pref.	....	(93 bid 96 asked)			
18½	15	1	6.4	Wilsils	....	(14¾ bid 15½ asked)			
1.15	.50			Winnipeg El. A	278	.80	.85	.85	.85
1.40	.65			Do. (B)	37	.80	.85	.85	.85
8	3¾			Do. pref.	90	4	4½	4	4
85	74	7	8.7	Wood, A. & J. p	....	(74 bid 80 asked)			
55	45			Woods Mfg. pf.	....	(45 bid — asked)			
5½	4	‡20c		York Kniting	....	(3½ bid 5 asked)			
•100	100	7	7	Do. 1st pref.	....	(— bid — asked)			
13	8½	80c	6.2	Zellers	....	(10¾ bid — asked)			
24½	23¾	1.50	6.3	Do. pref.	....	(— bid 23¾ asked)			

Quotations: § 1940. • 1939. ° 1938.
▲ On account of arrears. ♦ Paid in 1940.
■ Participating. ‡ Paid or payable in 1941 to date.
° Paid in 1941 to date after corporate income tax.

Mining Stocks

Week Ending July 21

Par Val.	Range 1941 High	Low	Company	Sales	Close July 14 (or last)	High for week	Low for week	Close July 21
			A					
No	.17	.05	Aldermac	4,500	.10	.12	.09½	.12
1	.01½	.00½	Amm. Gold	......	(.01 bid	.01½ asked)		
No	2.75	1.90	Anglo-Huronian	776	2.50	2.55	2.35	2.50
No	.30	.30	Argus Interests	......	(.... bid	.50 asked)		
No	.03	.01	Arno	......	(.... bid	.02 asked)		
1	.09	.03¾	Arntfield	14,000	.07	.08	.06½	.08
1	.05½	.03¾	Ashley	......	(.04½ bid	.05 asked)		
1	.05	.02	Astoria Quebec	......	(.02½ bid	.05 asked)		
1	2.45	1.50	Aunor Gold	1,408	1.93	1.91	1.85	1.89
			B					
1	.16½	.05	Bagamac	25	.09	.05	.05	.05
1	.08	.04	Bankfield	7,200	.05	.05¾	.05½	.05½
No	.11½	.05	Base Metals	......	(.07 bid	.10 asked)		
1	.15	.06	Bear Exploration	9,000	.07	.09½	.06½	.09½
1	1.24	1.00	Beattie Gold	2,000	1.07	1.08	1.02	1.08
1	.09	.05	Beaufor	......	(.04½ bid	.... asked)		
1	1.00	.90	Berens River	100	.90	.95	.95	.95
1	.13½	.07	Bidgood Kirk	5,100	.08½	.08½	.08	.08½
1	.11	.05	Bobjo	2,500	.06½	.07	.06½	.07
1	.59	.47	Bonetal Gold	29,600	■.53	.59	.52	.57
1	.02½	.00½	Bouscadillac G.M.	......	(.02 bid	.03 asked)		
No	10.75	9.50	Bralorne	1,650	10.12	10.75	10.25	10.75
1	.03	.02½	Brazil Gold	......	(.... bid	.02½ asked)		
1	.01½	.00¾	Brett Trethewey	......	(.00½ bid	.... asked)		
1	1.10	.71	Broulan Porc.	26,900	.84	.86	.79	.83
1	5.95	3.00	Buffalo Ankerite	200	4.45	4.40	4.25	4.35
No	.06	.02½	Buffalo Can.	1,000	.04	.03	.03	.03
5	19.00	14.25	Bulolo Gold	65	14.50	15.50	14.75	15.50
No	.02	.01½	Bunker Hill	......	(.01½ bid	.03 asked)		
			C					
No	.59	.47	Can. Malartie	1,650	.55	.57	.54	.56
1	.00½	.00½	Capital Rouyn	......	(.... bid	.... asked)		
1	2.91	2.10	Cariboo Gold	550	2.25	2.25	2.25	2.25
1	.01	.01	Cartier Malartie	......	(.01 bid	.... asked)		
1	.55	.40	Castle Trethewey	......	(.51 bid	.60 asked)		
1	.07	.05	Cen. Cadillac	......	(.... bid	.06½ asked)		
1	.01½	.01½	Cen. Manitoba	......	(.... bid	.... asked)		
1	1.95	1.65	Cen. Patricia	2,915	1.80	1.80	1.76	1.80
1	.21	.09	Cen. Porcupine	7,500	.16½	.16	.14	.15
1	.18½	.16	Century Mining	......	(.... bid	.15 asked)		
1	1.74	1.10	Chesterville	11,045	1.40	1.48	1.37	1.40
No	.40	.12	Chromium	500	.25	.24	.24	.24
5	1.05	.50	Coast Copper	......	(1.00 bid	.... asked)		
1	1.04	.62	Cochenour Willans	9,250	.70	.73	.70	.73
5	1.55	1.05	Coniagas	30	1.50	1.05	1.05	1.05
No	1.55	1.13	Coniaurum	400	1.35	1.31	1.31	1.31
5	40.25	31.50	Cons. Smelters	1,234	39.00	39.50	37.50	39.50
			D, E					
1	1.24	.70	Delnite	......	(.70 bid	.95 asked)		
1	.03½	♦.02½	Denison Nickel	2,000	.03	.03½	.03½	.03½
No	25.00	21.00	Dome Mines	1,979	24.25	24.50	23.00	23.12
1	.02	.01½	Dorval Siscoe	2,500	.01¾	.01½	.01½	.01½
1	.16½	.08½	Duquesne	18,566	.10¾	.10½	.10	.10½
1	2.95	2.05	East Malartic	20,850	2.21	2.32	2.18	2.29
1	.52	.30	Eldorado	5,000	.37	.36½	.35½	.35½
			F, G					
No	2.95	1.92	Falconbridge	840	2.90	2.90	2.75	2.80
1	.06	.02½	Federal	2,000	.03½	.03½	.03½	.03½
1	.06½	.01½	Fernland	5,500	.02	.01½	.01½	.01½
No	.55	.33	Francoeur Gold	12,100	.42	.46½	.43	.44½
1	.08½	.03	Gillies Lake	46,350	.07½	.08½	.06½	.07
1	.02	.01	Glenora	......	(.... bid	.02 asked)		
No	.39	.18	God's Lake	1,800	.30	.30	.29	.30
1	.16½	.11	Goldale	1,500	.12	.12	.12	.12
50c.	.29	.21½	Gold Belt	......	(.22 bid	.... asked)		
1	.10	.02½	Gold Eagle	4,000	.03½	.04	.03½	.04
1	.13	.05	Golden Gate	8,400	.09	.09	.08	.08
1	.02	.00½	Goodfish	500	.00½	.00½	.00½	.00½
1	.02½	.01¾	Graham Bosquet	1,000	.02	.02	.02	.02
No	.06½	.03½	Grandora	......	(.05 bid	.06 asked)		
1	.01½	.01½	Grull Wihksne	......	(.01 bid	.... asked)		
1	.38	.20	Gunnar Gold	2,500	.25	.29	.26	.26
			H, I, J					
1	.09½	.05	Halcrow Swayze	8,300	.06½	.07	.05½	.05½
1	.01¾	.00½	Halliwell Gold	500	.01	.00½	.00½	.00½
1	5.40	3.95	Hallnor Mines	200	3.95	3.95	3.95	3.95
1	1.10	.65	Hard Rock	4,900	.78	.78	.72	.74
1	.08	.03	Harker	5,200	.03	.03½	.03	.03
1	.58	.50	Hedley Mascot	......	(.50 July 3)			
5	13.12	11.75	Hollinger	1,822	12.63	12.50	12.37	12.50
1	.30	.20	Howey Gold	5,150	.22½	.24	.21½	.24
No	27.50	23.50	Hudson Bay	1,312	27.25	27.00	25.50	26.00
1	.33	.20	Inspiration	500	.27	.28	.28	.28
No	36.75	29.25	Int. Nickel	2,891	34.50	34.87	33.50	34.87
50c.	.95	.85	Island Mountain	500	.90	.95	.95	.95
1	.02½	.00½	Jacola	......	(.00½ bid	.02 asked)		
1	.27	.10	Jack Waite	3,700	.20	.22	.19	.19
1	.46	.35	Jason Mines	4,100	.42	.43	.39	.39
1	.03	.01	Jellicoe	......	(.01½ bid	.03 asked)		
1	.01½	.00½	J. M. Cons. Gold	56	.00¾	.00½	.00½	.00½
1	.01½	.01	Joliet Quebec	2,000	.01	.01½	.01	.01½
			K, L					
1	4.45	3.05	Kerr Addison	12,942	4.30	4.45	4.30	4.45
1	.41	.30	Kerr Lake	......	(.15 bid	.40 asked)		
1	.02½	.01	Kirk. Gold Rand.	1,000	.02	.02½	.02½	.02½
1	.42	.15	Kirk. Hud. Bay	......	(.30 bid	.40 asked)		
1	1.05	.67	Kirkland Lake	6,910	.74	.74	.71	.72
1	.10	.07½	Kirk. Townsite	......	(.09 bid	.... asked)		
1	21.00	14.87	Lake Shore	1,510	15.87	15.50	15.25	15.25
1	5.15	4.20	Lamaque Gold	547	4.55	4.45	4.40	4.40
1	.13	.06	Lapa Cadillac	1,500	.10	.09	.08½	.08½
1	.02½	.01	Lebel Oro	......	(.01½ bid	.01½ asked)		
1	.60	.45	Leitch Gold	5,050	.51	.52	.50	.52
No	2.06	1.65	Little Long Lac	2,067	1.95	1.98	1.90	1.91
			M					
1	4.35	3.45	Macassa	850	3.95	3.90	3.75	3.75
1	2.35	1.49	MacLeod Cockshutt	4,125	1.80	1.80	1.71	1.80
1	.76	.50	Madsen Red Lake	15,639	.73	.74	.70½	.72
1	1.17	.85	Malartic Gold	45,300	1.05	1.17	1.05	1.13
No	.09	.05	Mandy	200	.05½	.05½	.05½	.05½
No	.01	.00¾	Man. Eastern	......	(.00½ bid	.00¾ asked)		
1	.04	.01	Maralgo	......	(.02 bid	.04 asked)		
5	52.25	46.00	McIntyre	250	51.00	51.00	49.50	50.00
1	1.32	.97	McKenzie R.L.	200	1.05	1.07	1.05	1.07
1	.09	.04	McVittie Graham	6,600	.05	.05½	.04½	.04½
No	.25	.14	McWatters	3,500	.14	.15	.14½	.15
5	•.39	.39	Mentor Exploration	.....	(.06 bid	.... asked)		
No	.86	.55	Mining Corp.	650	.80	.75	.70	.75
1	•.05	.05	Moffatt Hall	......	(.01½ bid	.... asked)		
1	.55	.30	Moneta	3,650	.35	.34½	.32½	.34½
1	.03½	.01	Murphy	28,400	.03½	.03½	.02¾	.02¾
			N, O					
1	.31	.21	Naybob	3,600	.24	.25	.23	.24
1	.75	.60	Negus	100	.65	.65	.65	.65
No	.02	.01	Newbee	......	(.01½ bid	.02 asked)		
1	.03	.01	New Golden Rose	500	.03	.01	.01	.01
5	1.20	.75	Nipissing	140	1.20	1.10	1.05	1.10
No	58.00	49.25	Noranda	1,020	57.50	57.00	56.00	56.50
No	.52	.30	Nor. Canada	500	.31	.33	.33	.33
1	.04	.02½	Norgold	......	(.02½ bid	.03 asked)		
No	.50	.25	Normetals	2,600	.42	.45	.42	.45
1	5.00	4.75	Northern Empire	......	(4.00 bid	.... asked)		
1	1.15	.50	O'Brien	6,275	.85	.85	.65	.85
1	.18	.10	Omega	2,684	.14	.14	.12½	.12½
1	.09	.04	Osisko	----	(.04 bid	.06 asked)		
			P, Q, R					
No	1.65	.90	Pamour	3,500	1.07	1.08	1.00	1.00
1	.08½	.02	Pandora	3,000	.03	.03	.03	.03
1	2.70	2.25	Pato Cons. G.	......	(2.35 bid	2.65 asked)		
1	.05	.02	Partanen Mal.	......	(.03 bid	.03½ asked)		
1	.01	.00½	Pawnee Kirk.	......	(.00½ bid	.01 asked)		
1	.28	.15	Paymaster	6,950	.17½	.17½	.17	.17
1	2.10	1.00	Pend Oreille	2,100	1.50	1.55	1.45	1.55
1	1.60	1.25	Perron Gold	1,450	1.44	1.46	1.40	1.45
1	3.05	2.25	Pickle Crow	7,575	3.00	3.00	2.95	3.00
1	2.30	1.90	Pioneer Gold B.C.	25	2.10	2.20	2.20	2.20
1	9.50	8.50	Placer Devel.	......	(.... bid	9.00 asked)		
1	1.04	.50	Powell Rouyn	1,000	.65	.61	.60	.60
1	.95	.85	Premier Gold	900	.90	.94	.90½	.90½
1	3.40	2.70	Preston E. Dome	18,640	3.20	3.30	3.10	3.30
No	.20	.20	Prospectors Air's.	......	(.15 bid	.50 asked)		
1	.25	.20	Quebec Gold	......	(.22 bid	.27 asked)		
No	.05	.04	Quemont	......	(.03 bid	.... asked)		
No	.03	.01	Red Crest	......	(.01½ bid	.03 asked)		
1	.20	.10	Reeves McDonald	......	(.18 bid	.20 asked)		
1	.13½	.10	Reno Gold	4,600	.11	.11	.11	.11
1	.00¾	.00½	Robb Montbray	......	(.... bid	.01 asked)		
1	.05	.02	Roche Long Lac	1,000	.03½	.03½	.03½	.03½
			S, T, U, V, W, Y					
1	2.65	2.03	San Antonio	3,206	2.45	2.47	2.35	2.45
1	.07½	.03	Sand River	2,000	.03½	.04	.04	.04
1	.59	.35	Senator Rouyn	11,500	.44	.45½	.42	.45
1	.04	.01	Shawkey	......	(.01½ bid	.03 asked)		
50c.	.88	.73	Sheep Creek	1,300	.81	.87	.82	.87
1	.87	.55	Sherritt Gordon	5,300	.75	.77	.74	.75
1	8.90	7.00	Sigma Mines	75	7.30	7.50	7.20	7.20
1	.69	.50	Siscoe	20,100	.52	.53	.51	.51
1	.43	.14	Sladen Malartic	100	.20	.20	.20	.20
1	.19½	.06½	Slave Lake	7,700	.08	.09	.07½	.08
1	.15	.07½	St. Anthony	2,500	.08½	.08	.08	.08
No	1.78	.81	Steep Rock	45,700	1.33	1.58	1.30	1.58
No	.04½	.02	Straw Lake	38,500	.02½	.02½	.02½	.02½
1	.24	.13	Sturgeon River	2,500	.16	.17	.15	.15
No	1.65	1.10	Sudbury Basin	200	1.40	1.35	1.35	1.35
1	.05½	.01½	Sudbury Contact	2,000	.02½	.02½	.02½	.02½
1	.66	.50	Sullivan Co[illegible]	894	.60	.60	.50	.50
1	2.95	2.35	Sylvanite	2,000	2.56	2.70	2.60	2.65
1	3.75	2.71	Teck Hughes	1,825	2.78	2.77	2.75	2.75
1	.08½	.04	Temiskaming	1,500	.04½	.04½	.04½	.04½
1	1.80	1.40	Toburn Gold	......	(1.40 bid	1.70 asked)		
1	.15	.08	Towagmac	5,700	.13½	.15	.14	.14½
No	.50	.20	Trans. Resources	1,804	.30	.32	.31	.31
1	.39	.06	Uchi Gold	2,483	.09	.10	.07	.09½
	84.00	40.00	Do., Bonds	$3,000	40.00	42.00	40.00	42.00
1	2.28	1.27	Upper Canada	19,255	1.98	2.02	1.90	1.95
No	4.25	2.75	Ventures	1,355	4.15	4.15	4.00	4.15
No	4.20	3.00	Waite Amulet	1,275	3.60	3.60	3.50	3.50
1	.26	.15	Wendigo	5,950	.19	.25	.21½	.24
1	.01½	.01	Wiltsey Coughlan	......	(.... bid	.01½ asked)		
1	.10	.04	Wood Cadillac	3,700	.06	.05½	.05	.05
No	7.05	3.65	Wright-Hargreaves	8,350	3.90	3.95	3.85	3.85
No	.08	.04	Ymir Girl	1,500	.05	.05	.05	.05

Oil Stocks

Par Val.	High	Low	Company	Sales	Close July 14 (or last)	High for week	Low for week	Close July 21
No	.11½	.04	Acme Gas Oil	......	(.06½ bid	.07 asked)		
1	.09	.06	Alta. Pac. Cons.	......	(.06½ bid	.... asked)		
1	.18	.10	Ajax	......	(.12 bid	.15 asked)		
No	.81	.46	Anglo Canadian	21,400	.58	.60½	.59	.60
No	.12	.05½	Br. Dominion	......	(.04½ bid	.06 asked)		
No	.12	.06½	Brown Oil	4,000	.07½	.08½	.08	.08
No	1.49	1.05	Calgary & Ed.	5,000	1.30	1.37	1.27	1.31
1	.26	.14	Calmont	7,600	.20	.25	.18	.20
No	.26	.18	Commoil	600	.18	.25	.22	.25
No	.22	.19	Common Pete	......	(.22 bid	.30 asked)		
No	.32	.20	Dalhousie	2,425	.25	.26	.20	.20
No	.17	.11½	Davies Pete	15,743	.14½	.17	.15	.15½
No	.05	.02½	East Crest	2,500	.03	.03½	.03	.03½
No	.17	.11½	Extension Oil	2,350	.16	.17	.16½	.17
No	.30	.20	Federated Pete	1,000	.23	.20	.20	.20
No	.80	.40	Foothills	2,700	.60	.65	.60	.60
No	•.08	.05	Hargal	......	(.... bid	.20 asked)		
No	.15	.06	High Sarcee	1,100	.07	.08	.08	.08
No	2.55	1.50	Home	23,155	2.13	2.30	2.00	2.18
1	.02	.01½	Homestead O. & G.	......	(.... bid	.02 asked)		
No	.08	.04	McD. Segur	......	(.04½ bid	.06 asked)		
1	.15	.15	Model	......	(.14 bid	.... asked)		
25c.	.05	.05	National Petroleum	......	(.... bid	.06 asked)		
1	.06	.03	Nordon	3,500	.03	.03	.03	.03
No	.02½	.01½	Oil Selections	......	(.01½ bid	.02½ asked)		
No	.78	.35	Okalta	5,150	.55	.60	.50	.51½
No	.04½	.02½	Pacalta	4,800	.03	.03½	.03	.03½
1	.27	.15	Pacific Petroleum	......	(.... bid	.20 asked)		
No	.30	.25	Petrol Oil & Gas	......	(.25 bid	.50 asked)		
No	24.00	16.50	Royalite	253	21.00	24.00	23.00	23.00
No	.30	.13	South West Pete.	250	.13	.15	.15	.15
No	.04	.01½	South End	1,000	.01½	.02	.02	.02
5	1.25	.90	Texas Can.	160	1.00	1.00	1.00	1.00
No	.04½	.02½	United Oils	1,000	.03	.03½	.03½	.03½
1	.02½	.01	Vermilata	......	(.01½ bid	.02½ asked)		
1	.34	.25	Vulcan	......	(.20 bid	.35 asked)		

Vancouver Stocks

Par Val.	High	Low	Company	Sales	Close July 14 (or last)	High for week	Low for week	Close July 21
No	.....	.....	Bayonne	......	(.... bid	.05 asked)		
No	10.40	9.50	Bralorne	4,246	10.10	10.50	10.00	10.50
1	.00½	.00½	Bridge River Cons.	......	(.01 bid	.... asked)		
1	2.91	2.05	Cariboo Gold	350	2.25	2.25	2.15	2.25
No	.01½	.00½	Dentonia	......	(.01½ bid	.01½ asked)		
No	.00½	.00½	Fairview Amal.	3,000	.00½	.00½	.00½	.00½
1	.15	.13	George Copper	......	(.14 bid	.... asked)		
1	.08½	.03¾	Golconda	......	(.04½ bid	.06½ asked)		
50c.	.32	.20	Gold Belt	2,600	.24	.24	.24	.24
50c.	.15½	.10	Grandview	400	.15	.12	.12	.12
1	.02½	.01	Grull Wihksne	1,000	.01½	.01½	.01½	.01½
1	.60	.45	Hedley Mascot	1,900	.50	.53	.51	.52
No	.00½	.00½	Home Gold	......	(.00½ bid	.00½ asked)		
1	.01	.00½	Indian Mines	......	(.00½ bid	.01 asked)		
50c.	.95	.75	Island Mountain	2,500	.90	.95	.90	.95
1	.33	.27	Inter'l Coal	......	(.33 Apr. 29)			
50c.	.28	.20	Kootenay Belle	100	.25	.25	.25	.25
1	.25	.20	McGillivray Creek	......	(.20 bid	.... asked)		
No	.02½	.00¾	Minto Mines	......	(.01½ bid	.... asked)		
50c.	.00¾	.00½	Nicola	......	(.00½ bid	.... asked)		
1	.05	.03½	Pacific Nickel	......	(.05 bid	.... asked)		
1	2.00	1.26	Pend Oreille	100	1.53	1.46	1.46	1.46
1	2.25	1.95	Pioneer Gold	50	2.15	2.15	2.15	2.15
No	.03½	.01½	Premier Border	18,000	.02½	.02½	.02½	.02½
1	.95	.85	Premier Gold	3,250	.92	.95	.90	.95
No	.63	.44	Privateer Mines	4,900	.54	.56	.54	.55
1	.02½	.01½	Quatsino Copper	......	(.... bid	.03 asked)		
1	.22	.10	Reeves McDonald	600	.20	.22	.20	.22
1	.03	.01½	Relief Arlington	......	(.02 bid	.02½ asked)		
1	.13	.10	Reno Gold	200	.11	.11	.11	.11
1	•.06½	.04	Sally Mines	......	(.... bid	.... asked)		
50c.	.02½	.01	Salmon Gold	......	(.01½ June 12)			
50c.	.88	.72	Sheep Creek	1,500	.83	.86	.86	.86
1	.80	.65	Silbak Premier	......	(.80 bid	.85 asked)		
No	.00½	.00½	Silvercrest	......	(.... bid	.... asked)		
1	•.05	.05	Sunloch	......	(.... bid	.... asked)		
50c.	.15	.10½	Surf Inlet	5,000	.12	.12	.12	.12
No	.02	.02	Taylor Bridge	......	(.02 bid	.... asked)		
20c.	.00¾	.00¾	Wellington	......	(.00½ May 16)			
50c.	•.00¾	.00¾	Wesko	......	(.... bid	.00½ asked)		
1	.02	.00¾	Whitewater	......	(.00½ bid	.01½ asked)		
No	.08	.04½	Ymir Yankee Girl	......	(.05½ bid	.... asked)		

Oil Quotations

Par Val.	High	Low	Company	Sales	Close July 14 (or last)	High for week	Low for week	Close July 21
1	.09½	.05	Alta. Pac. Cons.	1,000	.07½	.07½	.07½	.07½
1	.00¾	.00¾	Amalgamated	......	(.00½ bid	.00½ asked)		
No	.82	.46	Anglo Canadian	1,400	.57	.64	.59	.62
No	.08½	.04	Anaconda	......	(.04½ bid	.07 asked)		
No	.07	.04	Brit. Dominion	......	(.04 May 29)			
No	.07½	.05½	Brown Oil	......	(.07 bid	.... asked)		
No	1.50	1.01	Calgary & Ed.	420	1.27	1.35	1.24	1.30
1	.26	.12	Calmont	1,500	.20	.22	.20	.20
No	.28	.18	Commoil	500	.20	.25	.25	.25
No	.22	.19	Commonwealth	100	.20	.22	.22	.22
No	.30	.20	Dalhousie	700	.22	.26	.24	.26
No	.15½	.13½	Davies Pete	......	(.14½ bid	.... asked)		
No	.04	.02	East Crest	......	(.03 June 30)			
No	.17	.11	Extension	6,500	.16	.16½	.16	.16½
No	.36½	.21	Federated Petroleum	800	.22½	.24	.23	.24
No	.60	.41	Foothills	......	(.55 bid	.65 asked)		
No	.15	.07	High Sarcee	......	(.08½ bid	.10 asked)		
No	2.52	1.50	Home Oil	5,400	2.12	2.30	2.12	2.25
No	.01½	.01	Madison	......	(.... bid	.01½ asked)		
No	.01½	.01	Marjon Oil	......	(.01½ bid	.01½ asked)		
No	.07	.04	McD. Segur Ex.	......	(.04½ bid	.05½ asked)		
No	.05	.02	Mercury	......	(.03 bid	.... asked)		
No	.05	.04	Mill City Pete	......	(.04 bid	.... asked)		
1	.19	.12	Model	300	.16	.16	.16	.16
25c.	.05½	.04½	National Pete	......	(.05½ Mar. 26)			
1	•.05	.04	Nordon	......	(.... bid	.... asked)		
No	.75	.40	Okalta	......	(.50 bid	.56 asked)		
No	.04	.02	Pacalta Oil	......	(.02 May 30)			
1	.26	.18	Pacific Petroleums	400	.20	.18	.18	.18
No	.15	.06	Royal Canadian	2,600	.06½	.06½	.06	.06
No	•.10½	.06	Royal Crest	......	(.... bid	.06 asked)		
No	22.00	17.12	Royalite	11	18.00	22.00	22.00	22.00
No	.01½	.01½	South End	......	(.... bid	.... asked)		
No	.25	.10	Southwest Pete	......	(.10 bid	.... asked)		
1	.05½	.02½	Spooner	......	(.03½ bid	.... asked)		
25c.	.14	.10	Sunset Oil	......	(.09 bid	.... asked)		
No	.04½	.03	United	1,000	.03½	.04	.04	.04
No	.04½	.03	Vanalta	......	(.03 bid	.... asked)		
1	.38½	.20	Vulcan	......	(.... bid	.35 asked)		

* Quotations for 1940.

Winnipeg Stocks

(Transactions from July 14 to July 19)

	Sales	High for period	Low for period	Close July 19
Monarch Life	50	34.00	34.00	34.00
United Grain Growers	134	11.00	9.00	10.00
Wingold	2,000	.08¾	.08¾	.08¾

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, pf.	30	32
Beav. Lumber, c.	3¾	5	Home Invest.	15	16
Beav. Lumber, p	½	105	Nor. Can. Mtg. p.	5	..
Can. Airways	1	..	North. Trusts	7	..
Cres. Cream., pf.	11	15	Traders Bldg.	43	..
Corr. P. Box, c.	.60	.80	West. Brew.	1⅝	1⅞
Dom. Envelope	6	7½	West. Steel	7	8
Do., pref.	96	98	West. Grain, p.	..	9
Fed. Grain, c	.35	.50	Wings vot. tr.	.35	..

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
July 10	10,300	8,000	248,000	......
July 21	5,800	4,100	130,000	15,435
July 19	2,800	2,400	78,000	7,700
July 18	3,700	5,300	122,000	13,020
July 17	7,100	4,000	164,000	7,386
July 16	8,700	14,000	165,000	9,700

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Dominion of Canada Bonds July 22, 1941

%	Due	Bid	Ask.	Approx. Yld.
5	Nov. '41	101	101½	.50
1½	May '42	100½	100¾	.60
2	June '42	100¾	101½	.63
3	Oct. '42	102	102½	.98
2½	June '43	101¾	102½	1.28
5	Oct. '43	106½	107½	1.70
2	June '44	100¾	101½	1.55
a2½	Jan. '44	96½	97½‡	3.21
4½	Oct. '44	107½	108½	1.88
2½	Nov. '44	101¾	102½	1.72
a2½	Aug. '45	95½	96½‡	3.45
4	Oct. '45	104½	105	b1.72
4½	Feb. '46	109	109¾	2.23
3½	June '49	102¾	103½	b2.48
3½	Oct. '49	102½	103	b2.53
3½	Nov. '51	101	101¾	b2.98
3½	Feb. '52	101½	102	b2.91
a5	May '52	101¾	‡102½	b1.62
4	Oct. '52	105½	106	b2.94
3	Oct. '52	98½	99	3.10
3	June '55	98½	99	3.09
4½	Nov. '56	107	107¾	b2.92
4½	Nov. '57	107½	108½	b3.06
3	June '58	98½	99	3.07
4½	Nov. '58	108	108¾	b3.15
4½	Nov. '59	108¾	109½	b3.19
a4	Oct. '60	99¾	100½‡	3.97
a3½	Jan. '61	90½	91½‡	3.87
3½	June '66	100	100¾	b3.18
a3e	Jan. '67	87½	88‡	3.73
a3e	Nov. '68	87½	88‡	3.71
†3	Perpet'l.	91¾	92½	3.24
	Dominion Guarant'd Bonds Can. Nat'l. Railways:			
2	Feb. '43	100½	101½	1.25
2½	Jan. '46	100½	101½	1.75
3	May '44	102½	103½	1.73
3	Dec. '50	98¾	99¾	3.03
3	Feb. '53	97½	98¾	3.13
3	Jan. '59	96½	97½	3.18
*4½	Sept. '51	114½	115½	2.79
*4½	Feb. '56	114¾	115¾	3.14
4½	July '57	114¾	115¾	3.23

%	Due	Bid	Ask.	Approx. Yld.
*4½	June '55	116¾	117¾	3.17
5	Feb. '54	116½	117½	3.28
*5e	July '69	114	115	b1.50
*5e	Oct. '69	118½	119½	b2.87
*5e	Feb. '70	118½	119½	b2.91
	Grand Trunk Pacific Rly.:			
3	Jan. '62	98	99	3.07
	Provincial Gov't. Bonds			
	New Brunswick:			
3	Oct. '51	85	88	4.47
3½	Aug. '49	89	92	4.45
3½	June '56	86	89	4.52
c4	Nov. '47	95	98	4.36
c4½	Apr. '61	97	99	4.58
c5	Jan. '60	100	103	4.75
	Nova Scotia:			
3	Jan. '52	93	94½	3.64
3½	June '56	93	94½	3.77
3½	Nov. '50	98	99½	3.56
c4½	Sept. '52	105½	108	b3.06
c4½	Nov. '60	108	110½	3.72
c5	Mar. '60	113	115½	3.82
	Ontario:			
2½	May '45	99	100	2.50
3	Apr. '48	98½	99½	3.08
3	Nov. '50	98½	99½	3.09
3½	Nov. '31	100	101	b3.11
3½	May '55	99½	100½	b3.20
*4	June '62	106	108½	3.45
4½	June '50	108	109½	3.26
*4½	Jan. '62	112	115	3.47
5	Oct. '48	110½	111½	3.21
*5	Dec. '60	119	121	3.50
5½	July '46	110½	111½	3.05
	Ont. Hydro Commission:			
3	Aug. '48	98½	99¾	3.04
3½	Feb. '53	99¾	100¾	b3.15
3½	Apr. '47	101½	102½	3.07
	Prince Edward Island:			
3	Oct. '45	95	97	3.69
	Quebec:			
3	Nov. '47	95	96½	3.63
3½	Mar. '48	96	97½	3.69
3½	Mar. '59	91	93	4.06

%	Due	Bid	Ask.	Approx. Yld.
3¾	Feb. '55	96	97½	3.99
4	Mar. '52	99½	101	3.87
4½	Aug. '58	100	102	4.09
4½	Jan. '63	102	105	4.15
	Alberta:			
4	Dec. '54	55	60	d
4½	Oct. '51	65	70	d
c4½	Oct. '56	56	61	d
*5	Oct. '59	60	65	d
c5½	Apr. '52	62	67	d
6	Mar. '47	66	71	d
	British Columbia:			
c4	Dec. '57	97	102	3.94
*4½	Jan. '51	100½	104½	3.93
c4½	Oct. '53	101	105	3.98
c5	Apr. '54	104	108	4.20
5½	Feb. '45	102	106	3.65
6	Feb. '47	105	109	4.15
	Manitoba:			
c4	Dec. '57	83	89	4.96
c4½	Dec. '56	89	94	5.08
*5	Dec. '59	93	98	5.17
5½	Oct. '55	96	100	5.50
6	Apr. '47	97	102	5.60
	Saskatchewan:			
4	Sept. '54	69	73	7.24
4	Nov. '60	67	71	6.72
c4½	Oct. '51	80	84	6.63
c4½	Mar. '60	72	76	6.16
5	Aug. '58	77	81	6.22
5½	Oct. '52	83	87	7.19
6	Mar. '52	87	91	7.11

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

July 22, 1941

Industrials:	Bid	Ask.
Acme Farm., pf.	38	..
Andian National	28½	31
Anglo C. Tel., A	7¾	8½
Atlas Steel	18	..
Barrymore, pfd.	29	..
B. C. Pulp, c.	10½	11½
Do., pfd.	60½	65
B. C. Sugar	70	73
B. C. Tel., 1st p.	111	114
Burns & Co., a	5	5½
Do., B	3	3½
Can. Co-op. Wl.	8	..
C. I. L., A c.	170	..
Do., pref.	163	167
Can. Ing. Rand.	73	77
Can. Col. Air.	2½	3½
Can. Mot. L.A.B.	2¾	..
Can. Tube, 1st p	90	..
Chase, A. W., p.	18½	20
Claude Neon, p.	4½	5½
Colonial Steam.	17	20
Copeland Fl. un.	13½	14½
Dom. Manuf., p.	60	65
Dunlop T. p. $25	22	23½
East. Steel, pf.	..	20
Easy Wash. p $10	10	11
Goderich Elev.	6¾	7½
Guelph Carp., c.	18	21
Gurney Fdry., p	½	1½
Hayes Steel, c.	..	9
Hi'land Dairy, p.	48½	51
Homewood San.	100	120
Kingst. Ship. un	31	32
Loblaw Inc., c.	11	12½
Maritime Tel., c.	14½	..
Minn.&Ont. P. c	3½	3¾
M'row Screw, p.	100	..
Do., com.	10½	12
Moirs, pfd.	18½	21½
Mt. Royal H., c.	2½	3½
Morrison Br. un.	5	6½

	Bid	Ask.
N. B. Tel., c.	10	12½
Neilson, Wm., c.	9	..
Do., pfd.	100	..
N. Meth. Ldy. p	53	57
Ont. Tobacco, p.	17	20
Pac. C. Term., c.	9	10½
Prov. Paper, pfd	100½	103½
Ruddy, E. L., p.	22	25½
Quinte Milk	2	3
Stand. Fuel, p.	55	58
Stedman, pf. $50	56½	58
Sutton Horsley	1½	1¾
Tor. Carpet, c.	38	..
Do., pfd.	65	68
Un. F. Co-op.	2½	3½
Un. Steel A pf.	23	25
Viceroy Mfg., p.	23½	..
Do., com.	12½	..
Westons Hold.	3	..
Trusts & Loan Stocks:		
Brit. Mtge.	122	130
Brockville Tr.	41	..
Capital Tr.	30	32½
Com. Fin., c.	2¾	3
Grey&Br. Tr. $50	44	46½
Guaranty Trust	100	103
Guelph & O. $50	50½	53¾
Indust. Mtge.	25	..
Lambton Loan	30	33
London & West.	34	37
Midland Loan	14	15½
Premier Trust	..	58
Sherbrooke Tr.	120	..
Sterling Trust	50	..
Traders Fin. A c	7	9
Do., A pfd.	76	80
Trusts & Gr. new	..	48
Victoria Trust	76	80
Waterloo Trust	99	..
Insurance Stocks:		
Canada Life	390	405
Brit. Amer.	49½	54

	Bid	Ask.
Canadian Fire	82½	..
Confed. 30% pd.	137	142
Continental L.	35	40
Crown, fully pd.	255	..
Dominion Fire	140	..
D. of Can. Gen.	114	120
Empire, 25% pd.	6	7
Excelsior 38% pd	71	75
Federal, 25% pd.	50	..
Great-West Life	190	202
Halifax Fire	15	16½
Imperial Life	290	300
Manufac. Life	220	245
Monarch Life	32	35
National Life	20	24
Sov. L. 25% pd.	14	..
Sun Life	290	310
Tor. General	4½	5½
Wellington Fire.	58	..
Western Assce.	41	44
Theatre Stocks:		
Allen's King. un	62	66
Do. St. Cath. un	52	..
Mansf. Theat. p.	28	31
Para. Kitch., p.	50	..
Do., Oshawa, c	7½	10
Investment Trust Shares:		
Can. Investors	4	5
Inv. Found. un.	42	45
Sec's. Hold., pf.	19	21
United Corp., A	19	21
Do., B	3¾	4½
Power Issues:		
Can. W. N. Gas	26	..
Do., pfd.	102	104½
Gt. Lakes Pr., p	101	103
Int. Util. 1.75 p.	15	..
Do., $3.50 p.	34	..
Mtl. Is. Pwr., p.	40	..
Nor. Ont. Pr., p.	70	73

Unlisted Mines

Toronto, July 22, 1941

	Bid	Ask
Albany R		
(Old)	.03	.04½
(New)	.08	.11
Amal K	.08	.10
Anoki	.04	.05
Aquaris	.17	.19
Arjon	.04	.05
Armistice	.16	.18
Argosy	.07½	.08½
Area	.02½	.03
Athona		
(Old)	.01	.02
(New)	.01½	.02½
Barb La	.02	.02½
Bilmac	.01	.02
Brock	.34	.36
Buf Bear	..	.03
Cald B	.04	.06
Cent M	.02½	.03
Cheminis	.01¾	.02½
Coin La	.03	.04
Cons Ch	.04½	.06
Crescent	.00¾	.01½
Dayton	.01	.02
Denovo	.10	.12
Desants n	.14	.19
E'ward	.38	.42

	Bid	Ask
Elmos	.07	.09
Franco	.15	.25
Galore	.01	.02
Gan Cop	.05	.07
Gate Pat	.00¾	.01½
Gilbec	..	.01
H'ridge	..	.11
Hoyle n	.19	.21
H PaP	.09	.10
Hutch L	.01½	.02
Jasper	..	.14
Keora	.01	.02
Kenricia	.01½	.02½
Kewaga	.01	.02
Kiena	.01	.02
Kirk Ga	.01	.02
Lacoma	.00¾	.01½
Laguerre	.20	.22
La Duf	.14	.17
La Gen	.15	.20
Lw Pete	.13	.16
Mag C	.83	.86
Mag L	.18	..
Mart Bir	.02	.03
Marg't	.08½	..
Mata Ca	.02½	.03½
E Laco'a	..	.01

	Bid	Ask
Mata Co	.18	.21
McMar	.40	.42
MofH n	.01½	.02
Mooshla	.01	.02
Mosher	.05½	.06½
McManus	.01	.02
Nat Mal	.29	.32
N Aug	28	.31
Nick O	.70	..
Norbeau	.20	.25
No'land		
(1940)	.04	.06
Norwin	.05	.07
Numalak	.09	.11
Oklend	.03½	.04½
O'Leary	.02½	.02¾
Opemiska	.02	.04
Ont Nick	.08	.10
Oriole	.01	.02
Orpit	.07½	.08½
Ossian	.00¾	.01½
Pascalis	.27	.30
Pontiac R		
(Old)	.04	.06
Pelangio	.01½	.02
Phoenix	.01	.02½
Polaris	.07	.10

	Bid	Ask
Propre'y	3.40	..
Presdor	.05¾	.06½
Queb M	.08	.10
Rahn La	.00½	.01
Rand M	.08	.10
Red La	.01	.02
Ribago n	.02½	.03
S.A.G.A.	1.75	1.85
Sachigo	3.25	3.75
Sanshaw		
Special	..	.07
Senore	.08	.10
Shenango		
(New)	.22	.25
Sheldon	.04	.05
Skynner	.01¾	.02½
Smelt G	.00½	.01
Sunb'm	.02	.04
Springer	.16	.18
Stadac	.08	.10
Thomson	.11	.13
Treaty P	.05	.07
Un Min	.03½	..
Wasu	.04	.06
West Red	..	.01½
Wesley	.03½	.04
Y'David	.25½	.27

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 22, 1941

Public Utility Issues:	Int. Rate %	Due	Bid July 22	Asked July 22	Bid July 15
▲‡Alg. C. H.B.R.	5	'59	8	11	8½
†Assoc. Tel. & T.	5½	'55	70	73	70
B. C. Power	4½	'60	98½	100½	98½
B. C. Tel.	4½	'61	106½	108½	106½
†Calgary Pwr.	5	'60	107	109	107
Do.	5	'64	102½	105½	102½
†Can. Nor. Pwr.	5	'53	102	104	102
*Dom. Gas & El.	6½	'45	102½	104½	102
Gatineau Pwr.	5	'49	101	103	101
*Do., A	3¾	'69	97½	99½	97½
♦Do., B	3¾	'69	96	98	96
Gt. Lakes Pwr.	4½	'56	98½	100½	98½
Do.	5	'57	98	101	96
*Int. Hydro-E.	6	'44	54½	57½	57½
▲Inter. Power	6	'55	100½	102½	100½
L. St. Law Pwr.	5	'55	97	100	97
Macl'n-Que. Pr.	4	'59	97	99	97
Mtl. L. H. & P.	3½	'56	100½	102½	100½
Do.	3½	'73	98	100	98
Do.	3½	'63	98½	100½	98½
†Mtl. Tramways	5	'41	95½	98½	96
†Do.	5	'55	68	71	67½
Nat. Lt. & Pwr.	6	'49	101	103	101
N. S. Lt. Pr.	4	'57	100	102	101
Ottawa L.H.&P.	4	'57	101	103	101
Ottawa V. Pwr.	5	'59	101½	103½	101½
†Power Corp.	4½	'59	94	97	94
Quebec Pwr.	4	'62	100½	102½	101
*Saguenay P., A	4½	'66	106½	108½	106½
♦Do., B	4½	'66	104	106	104
St. Maurice Pr.	4½	'70	101½	103½	101½
Shaw. W. & Pr.	4	'61	100½	102½	100½
Do.	3½	'46	100½	102½	100½
Do.	4	'69	99½	101½	99½
Union Gas	4½	'50	102½	104½	102½
*Twin C. R. Tr.	5½	'52	66	69	64
†United Secs.	5½	'52	42½	45½	42½
‡Wpg. El., ser. A	5	'65	72	75	71
Do., B	5	'65	50½	53½	49½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	74	77	71
Do., C.O.D.	5	'53	73½	76½	70½
Acadia Sugar	4½	'55	102	104	102
Do.	6	'44	97	100	99
†Alta. Pa. Grain.	6	'46	99	101	99
Algoma Steel	5	'48	102	104	102
Atlantic Sugar	4	'51	100½	102½	100½
†B. C. P. & Pap.	6	'50	85	88	86
†‡Do.	7	'50	111	...	112
*Brown Co.	5½	'46	59½	62½	57
Burns & Co.	5	'58	65½	68½	62½
Canada Bread	6	'41	100	...	100
Canada Cement	4½	'51	103	105	103
Canada Electric	4½	'65	94	97	94
Can. Paper	4½	'52	101½	103½	101½
Can. Steamships	5	'57	99½	101½	99½
Can. Canners	4	'51	101½	103½	101½
*Can. Int. Paper	6	'49	104½	106½	104½
‡Can. Locomotive	6	'53	82½	85½	81
‡†Candn. Vickers	6	'47	62	65	60
C. P. R.	3½	'51	94½	96½	94½
Do.	4	'49	98½	100½	98
*Do.	4½	'60	99½	101½	..
Do.	6	'42	102	104	102
Col. Steamships	6	'54	96½	99½	96½
†Consol. Paper	5½	'61	69½	72½	68½
Dom. Coal	4½	'52	101½	103½	102
Dom. Scott. Inv.	4	'52	96	98	96
Dom. Stl. & Co.	6½	'55	105½	107½	106
Dom. Tar	4½	'51	102	104	102
Dom. Woollens	6	'53	97	100	97
†Donnacona P.	4½	'56	75	78	72½
*Dryden Pap.	6	'49	100	103	100
‡Dufferin Pav.	5	'55	56	59	56
†East. Dairies	6	'49	85	88	85
Famous Players	4½	'51	98	100	98
†Federal Grain	6	'49	99	101	99
†Fraser Cos.	6	'50	99½	101½	99½
Galt Brass	5	'50	90	93	90
Gen. Stl. Wares	4½	'52	99½	101½	99
*Great L. Paper	5	'55	93½	96½	93½
*Gurney Fdry.	5½	'49	70	73	70
†Gypsum, Lime	5½	'48	99½	101½	99½
Ham. By-Pr., C.	5	'55	101½	103½	102
Do.	6	'56	100	102	100
Ham. Cotton	4½	'50	100	103	100
Inter-City Bak.	5½	'48	101½	103½	101½
Indust. Accept.	4	'52	82	85	82
Ins. Ex. Bldg.	3	'51	40	43	40
*Inter. P., Nfld.	4½	'68	89	92	89
*Inv. Bond & Sh.	5	'47	42	45	42
†Kingston Elev.	6	'50	104	106	104
Lake St. J. P.	5½	'61	84	87	84
Do.	5	'61	59	62	59
Legare	6	'61	87	90	87
Maple Leaf M.	3	'58	73½	76½	73
Man. Sugar	5	'60	97½	100½	97½
Massey-Harris	4½	'54	93	96	92½

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & Co., Toronto)

July 22, 1941

Miscellaneous Stocks:	Bid	Asked July 22	Bid July 15
†Allens Tor. Th., p.	32	34	31½
Atlas Steel, 7% pref.	101	103½	101½
Brown Co., c.	1.60	1.90	1.50
*Can. Gen. Rubber, pref.	26	30	25½
C.P.R., pref. (£ par)	1¾	2½	1¾
Cawthra Apts. pfd.	1¾	2½	1¾
Colonial Realty, c.	1¾	..	1¾
Colling. Term. units	.75	1.00	.70
Corrug. Paperbox, c.	.50	.70	.50
Dover Industries	6½	7½	6¾
East. Bake., p.	30	38	29
†Ft. Wm. Hotel, units	43½	50	43
Galt Brass, c.	8	9½	8½
Imperial Varnish, c.	8½	9½	8
Inglis, John	3	3¾	3
Inter. Equities, units	25½	30	25
Loew's Lond. Th., p.	2¾	3½	3
Monarch Mtge. Inv. un.	.30	.50	.35
Murphy Paint, com.	9	11	9
Murphy Paint units	98	99½	97½
Nat. Hosiery com.	.70	.90	.65
†N. Amer. Elev., p.	66	70	65½
Reanite Corp.	3½	4	3
Second Std. Royal's p.	.03	.03½	.02½
Third Can. Gen. Inv.	1½	2	1½
Tip Top Inc., p.	11½	15½	11
Traders Fin. Rts.	12½	13½	12
*Wentw. Radio, pref.	3½	..	3
West Can. Hydro, p.	11	11½	11
West Life. 10% p.	9	9½	8½

*Issue carries arrears.
†Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid July 22	Asked July 22	Bid July 15
McColl-Fron.	4½	'49	102½	104½	102½
McCormick's	4	'52	95½	98½	95½
Do.	4½	'52	103	106	103
Mercury Mills	5	'59	92½	95½	92½
Mersey Paper	5	'57	96½	99½	96½
†Do.	6	'49	99½	101½	99½
*M. & O. Paper	5	'60	81½	84½	81½
Moirs Ltd.	6	'53	84	87	84
‡Mtl. Drydocks	6	'48	58	61	57
Montreal Apts.	4	'54	60	63	60
Nat. Grocers	4	'47	101	103	101
N. S. Stl. Coal	3½	'63	81½	84½	81½
Price Bros.	5	'57	97½	100½	97½
Do.	4	'57	84	87	84
*Prov. Paper	5½	'47	105	107	105
Reliance Grain	4½	'52	94	97	93
†Restigouche Co.	6	'48	99	101	99
Rolland Paper	4½	'51	101½	103½	101½
Ruddy, E. L.	6½	'48	100	103	100
Silv. Dairies	6	'66	90	93	89
Simpsons Ltd.	4½	'51	102	104	102
Smith, Howard.	4½	'51	103½	105½	103½
Stand. Lime	6	'44	97	100	97
Sterling Coal	6	'45	97	100	97
Stop & Shop	3	'47	53	56	53
United Corp.	5	'53	86½	89½	86½
*United Gas	5½	'48	103½	105½	103½
United Gr. Grs.	5	'48	95½	98½	95½
†Western Grain	6	'49	59½	62½	57

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Municipal Bonds

July 22, 1941

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	109.00	111.00	4.18
Hamilton	5	1950	108.25	111.25	3.50
Montreal	5	1945	93.00	95.00	6.50
Ottawa	4½	1945	103.75	106.25	2.85
†Quebec	5	1959	103.00	106.00	4.51
Saint John	5	1950	103.00	104.00	4.47
†Toronto	4½	1955	110.00	114.00	3.22
†Vancouver	5	1950	100.00	102.00	4.70
Winnipeg	5	1944	102.00	104.00	3.61

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.42	2.65
Can. Amer. Trust	3.00	3.45
Can. Inter. Trust	4.25	5.00
Can. Invest. Fund	3.25	3.60
Corporate Investors	5.50	5.95

Annual Meetings

1941: Company	Place
July 26—Algoma Steel Corp.*	S. S. Marie
July 29—Remington Rand	New York
July 31—Neon Prod. W. Can.	Vancouver
Sept. 23—Mexican Lt. & Pwr.†	Toronto

*Annual and special. †Bondholders.

Mining Dividends

	Rate	Close July 21	Yield %
Anglo-Huronian	▲10c	2.50	..
Aunor Gold	▲8c	1.89	..
Beattie Gold	16c	1.08	14.8
Bralorne	80c+40c	10.75	*11.2
Broulan Porc.	12c	.83	14.4
Buffalo Ankerite	▲20c	4.35	..
Bulolo Gold	$3	15.50	19.3
Can. Malartic	8c	.56	14.3
Cariboo Gold	16c+8c	2.25	*10.6
Central Patricia	16c+6c	1.80	*12.2
Chesterville	10c	1.40	..
Cochenour Willans	3c	.73	..
Coniagas	▲17½c	1.05	..
Coniaurum	16c	1.31	12.2
Cons. Smelters	$1+$1.50	39.50	*6.3
Delnite	▲3c	.75	..
Dome Mines	$2	23.12	8.6
East Malartic	▲20c	2.29	..
Falconbridge	▲10c	2.80	..
Francoeur Gold	‡3c	.44½	..
Goldale	‡2c	.12	..
Gold Belt	▲2c	.24	..
Grandview	▲1½c	.12	..
Gunnar Gold	6c	.25	..
Hallnor	60c	3.95	15.2
Hard Rock	▲5c	.74	..
Hedley Mascot	8c	.52	..
Hollinger	65c+45c	12.50	*8.8
Howey Gold	▲2c	.24	..
Hudson Bay	$2	26.00	7.7
Inspiration	‡2c	.28	..
Inter. Nickel, com.	$2	34.87	5.7
Island Mountain	▲8c	.95	..
Jason	‡2c	.39	..
Kerr Addison	▲22c	4.45	..
Kerr Lake	‡10c	.30	..
Kirkland Lake	10c+2c	.72	*16.7
Kootenay Belle	▲6c	.25	..
Lamaque Gold	40c+15c	4.40	*12.5
Lake Shore	$1.40	15.25	9.2
Leitch	8c	.52	15.4
Little Long Lac	▲10c	1.91	..
Macassa	32c+3c	3.75	*9.3
Madsen R. Lake	‡6c	.72	..
Malartic Gold	‡5c	1.13	..
McGillvray Coal	‡3c+1c	.21	..
McKenzie Red L.	12c	1.07	11.2
Moneta	8c	.34½	..
McIntyre-Porc.	$2.22+$1.11	50.00	*6
MacLeod-Cockshutt	‡20c	1.80	..
Naybob Gold	4c	.24	..
Negus	‡5c	.65	..
Nipissing	15c	1.10	13.6
Noranda	$4	56.50	7.1
North Empire	▲20c	4.75	..
O'Brien Gold	10c	.85	..
Pamour Porc.	12c	1.00	12
Pato Cons.	20c+2c	2.50	8.8
Pend Oreille	‡6c	1.55	..
Perron Gold	16c+4c	1.45	*13.7
Pioneer. B.C.	40c	2.20	18.1
Pickle Crow	40c	3.00	13.3
Placer Develop.	$1.20	8.50	14.1
Premier	12c	.90½	13.2
Preston E. Dome	20c+10c	3.30	*9.1
Privateer Mines	▲9c+3c	.55	..
Quebec Gold	‡2c	.22	..
Relief Arlington	‡5c	.02	..
San Antonio	14c+6c	2.45	*8.1
Sheep Creek	16c	.87	18.4
Sherritt Gordon	▲5c	.75	..
Sigma Mines	▲30c	7.20	..
Silbak Premier	16c	.80	20
Siscoe	▲6½c	.51	..
Sturgeon River	4c	.15	..
Sudbury Basin	▲2½c	1.35	..
Sullivan Cons.	▲5½c	.50	..
Surf Inlet	▲1c	.12	..
Sylvanite Gold	28c	2.65	..
Teck-Hughes	40c+5c	2.75	*16.4
Toburn	12c+5c	1.50	*11.3
Upper Canada	▲7c	1.95	..
Ventures	▲10c	4.15	..
Waite Amulet	10c	3.50	..
Wendigo	3c	.24	..
Wright-Harg.	40c+30c	3.85	*18
Ymir Yankee	2c	.05	..

*Yield including bonus. †Initial.

‡Paid in 1940.

▲Paid or declared payable in 1941 to date.

Dividends Declared

	This payment	Date payable	Date of record
Ault & Wiborg, p.	$1.37½	Aug. 1	July 15
Ang. Can. Tele., p.	63¾c	Aug. 1	July 15
Anglo Huronian	10c	July 31	July 16
Agnew Surpass	40c	Sept. 2	Aug. 15
Do., extra	20c	Sept. 2	Aug. 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Aluminium	$2	Sept. 5	Aug. 15
Do., pref.	†$1.50	Sept. 1	Aug. 8
Beatty Bros. 1st pf.	$1.50	Aug. 1	July 15
Bk. of Toronto	$2.50	Sept. 2	Aug 15
Blue Ribbon, pf.	62½c	Aug. 1	July 28
Bathurst P. & P., A	25c	Sept. 1	Aug. 15
Buff. Ankerite	10c	Aug. 1	July 25
Bertram & Sons	15c	Aug. 15	Aug. 1
Can. Wire & C., A	$1	Sept. 15	Aug. 31
Do., B	50c	Sept. 15	Aug. 31
Do., pref.	$1.62½	Sept. 15	Aug. 31
Can. Industries A B	$1.50	July 31	June 30
Can. Bk. Commerce	$2	Aug. 1	June 30
Can. Converters	50c	July 31	June 30
Canadian Oil, c.	12½	Aug. 15	Aug. 1
Do., extra	12½	Aug. 15	Aug. 1
Can. Pac. Rly., pref.	2%	Aug. 1	July 1
Can. Bronze	37½c	Aug. 1	July 21
Do., pref.	$1.25	Aug. 1	July 21
Can. South. Rly	$1.50	Aug. 1	June 30
Coniagas Mines	5c	Aug. 8	July 24
Coast Brew.	3c	July 31	July 17
Calgary Power, pf.	$1.50	Aug. 1	July 15
Can. Invest. Fund	5c	Aug. 1	July 15
Can. Investors	10c	Aug. 1	July 18
Commoil	1c	Aug. 29	Aug. 15
Chesterville L.	5c	Aug. 20	Aug. 5
Cosmos Imp.	30c	Aug. 15	July 31
Distillers Seag., p.	†$1.25	Aug. 1	July 17
Dom.&Ang. Inv. p	$1.25	Sept. 1	Aug. 15
Dom. Tar & C., p.	$1.37½	Aug. 1	July 12
Dom. Scott. Inv., pf	■50c	Sept. 1	Aug. 20
Dominion Bank	$2.50	Aug. 1	July 19
Dom. Oilcloth	30c	July 31	July 15
Do., extra	10c	July 31	July 15
East Malartic	■10c	Aug. 30	Aug. 1
Granby Cons.	†15c	Sept. 2	Aug. 15
Hollinger Cons.	5c	Aug. 12	July 29
Do., extra	5c	Aug. 12	July 29
Grandview Mines	†1c	Aug. 10	July 15
Humberstone Shoe	25c	Aug. 1	July 15
Hyd. El. Secs. B, p.	25c	Aug. 1	July 15
Highland Dairy, p.	$2.50	July 30	June 24
Hedley Mascot	2c	Aug. 15	July 24
Imperial Bank	$2.50	Aug. 1	June 30
Inter. Metal, pf.	$1.50	Aug. 1	July 15
Do., pref. A	$1.50	Aug. 1	July 15
Inter. Nickel, pf.	†$1.75	Aug. 1	July 2
Inter. Util. $3.50 p	†87½c	Aug. 1	July 23
Inter C. Baking	$1.50	July 31	July 21
Kerr-Addison	5c	Aug. 28	Aug. 7
Leitch Gold	2c	Aug. 15	July 31
McIntyre Porc.	55½c	Sept. 2	Aug. 1
Montreal Power	38c	July 31	June 30
Malartic Gold	▲5c	Aug. 1	July 2
Neon Prod. W. C., c.	30c	July 15	June 30
Nat. Biscuit, c.	†40c	Oct. 15	Sept. 16
Do., pref.	†$1.75	Aug. 30	Aug. 15
O'Brien Gold	5c	July 31	July 10
Perron Gold	■4c	Sept. 22	Aug. 30
Do., extra	■1c	Sept. 22	Aug. 30
Pend Oreille	†6c	July 28	June 27
Privateer Mine	3c	Aug. 10	July 25
Do., extra	1c	Aug. 10	July 25
Penmans	75c	Aug. 15	Aug. 5
Do., pref.	$1.50	Aug. 1	July 21
Prov. Transport	20c	Aug. 15	Aug. 5
Quebec Power	25c	Aug. 25	July 22
Royal Bank	$2	Sept. 2	July 31
Rolland Paper	15c	Aug. 15	Aug. 5
Do., pref.	$1.50	Sept. 2	Aug. 15
Saguenay Pwr., p.	$1.37½	Aug. 1	July 15
Simpsons, pf.	$1.62½	Aug. 1	July 18
South. Can. Pwr.	■20c	Aug. 15	July 31
Steel of Can.	75c	Aug. 1	July 7
Do., pref.	75c	Aug. 1	July 7
Shaw. W. & Pr.	23c	Aug. 25	July 24
Siscoe Gold	2c	Sept. 15	Aug. 16
Stand. Chemical	75c	July 30	June 30
St. Law. Flour	25c	Aug. 1	July 19
Do., pref.	$1.75	Aug. 1	July 19
Toburn Gold	3c	Aug. 22	July 22
Do., extra	1c	Aug. 22	July 22
Union Gas	20c	Sept. 15	Aug. 20
United Fuel, p.	75c	Oct. 1	Sept. 20
United Corp. A	38c	Aug. 15	July 31
United Grain	$1.25	Aug. 1	July 25
Wood, A. & J., pfd.	$1.75	Aug. 1	July 16
Walker-Good.	$1	Sept. 15	Aug. 22
Do., pref.	25c	Sept. 15	Aug. 22
Weston, Geo., pref.	$1.25	Aug. 1	July 15
Wilson Stat., pfd.	$1.25	Oct. 15	Sept. 30
Zellers, com.	■20c	Aug. 1	July 15
Do., pref.	■37½c	Aug. 1	July 15

†Payable in U. S. funds.

■Subject to approval of Foreign Exchange Control Board.

‡Initial.

Quebec Winding Up Works Relief Agency

From Our Own Correspondent

MONTREAL.—Quebec province is dissolving its Committee of Economic Reconstruction, the department which directed extensive programme of relief projects through the depression years. Quebec announced its intention of dropping unemployment relief some months ago.

Hon. T. D. Bouchard, Minister of Roads and Public Works, announced the province will no longer be actively interested in the projects undertaken by the Committee.

Smelters Shows Versatility In Number of Directions

From Our Own Correspondent

VANCOUVER. — In its general report for the past year's operations in British Columbia, the provincial department of mines refers to several significant developments at Consolidated Mining & Smelting Co.'s camp in the Cranbrook area.

Considerable and conspicuously successful use of long-hole blasting has been made, the report points out. Fan-shaped rounds were bored from sublevels at two-yard intervals by means of diamond drill. The filling of worked out stopes was resumed in the spring of 1940 and continued until late in the fall, a total of 245,000 cubic yards, equivalent to 882,000 tons of ore in the solid, being placed in the course of the year.

Of the stowing material used in this manner, 200,376 cubic yards or 81.78% was obtained from the surface and the balance came from development operations and induced caving.

Commenting on the production of tin, announced in a recent issue of The Financial Post, the report states: "A development of considerable interest and importance is the installation of a tin recovery plant at the concentrator, work on which was well advanced at the end of the year, this representing the culmination of research carried on locally for some time.

"As the metal, in the form of cassiterite, is present in the ratio of only about one pound per ton of tailings, with a comparatively large percentage of it of so-called 1,500 mesh size, the process of concentration is a rather complicated one, but a 50% recovery is expected."

Canada's Power Sales To U. S. Higher in 1940

Exports of electrical energy from Canada to the United States last year totalled 2,135,557,000 kw. hrs., according to a report issued by the Federal Power Commission. This contrasts with 1,918,630,000 in 1939, an increase of 215,927,000 kw. hrs.

Last year the United States exported to Canada 4,453,000 kw. hrs., compared with 4,236,000 in 1939.

DIVIDEND NOTICES

The Canadian Bank of Commerce

Dividend No. 218

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st July, 1941, and that the same will be payable at the Bank and its Branches on and after Friday, 1st August next, to shareholders of record at the close of business on the 30th June, 1941. The Transfer Books will not be closed.

By Order of the Board.

A. E. ARSCOTT,
General Manager.

Toronto, 20th June, 1941.

The Dominion Bank

Dividend No. 235

Notice is hereby given that a dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st July, 1941. The dividend will be payable at the Head Office of the Bank and its Branches on and after Friday, the 1st day of August, 1941, to shareholders of record of the 19th July, 1941.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 12th June, 141.

The Royal Bank of Canada

DIVIDEND NO. 216

NOTICE is hereby given that a dividend of two per cent (being at the rate of eight per cent per annum)—upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Tuesday, the second day of September next, to shareholders of record at the close of business on the 31st day of July, 1941.

By order of the Board.

S. G. DOBSON,
General Manager.

Montreal, Que., July 15, 1941.

UNITED GRAIN GROWERS LIMITED

Dividend No. 31

Notice is hereby given that a dividend at the rate of 5% on the paid-up capital stock of the Company has been declared for the year ending July 31, 1941.

The Dividend will be payable on the first day of August, 1941, to shareholders of record of the 25th day of July, 1941.

By order of the Board.

CHAS. C. JACKSON,
Secretary.

Winnipeg, Man., July 9, 1941.

The Chesterville Larder Lake Gold Mining Company Limited

(No Personal Liability)

INTERIM DIVIDEND NOTICE NO. 3

Notice is hereby given that an interim dividend of .05c (five cents) per share, payable in Canadian funds, has been declared by the Directors of The Chesterville Larder Lake Gold Mining Company Limited, payable August 20th, 1941, to shareholders of record at the close of business August 5th, 1941.

By order of the Board.

E. V. OAG,
Secretary-Treasurer.

Toronto, July 22, 1941.

Canada Bread Company Limited

Mortgage Deed of Trust dated August 1st, 1911, to secure an issue of $1,250,000.00 Six Per Cent. Thirty Year First Mortgage Sinking Fund Gold Bonds payable August 1st, 1941.

Notice is hereby given that all Outstanding Bonds (and unpaid Coupons) of the above issue will be paid upon presentation at any branch in Canada of The Dominion Bank — on August 1st, 1941.

Dated at Toronto, this 17th day of July, 1941.

W. S. ANTLIFF,
Secretary-Treasurer.

Real Estate Bonds
Bought and Sold
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101

Saguenay Pwr. Status Better

Higher Taxes Cut Into Improved Operating Revenues This Year

From Our Own Correspondent

MONTREAL. — Saguenay Power Co. reports consolidated operating revenue in the three months ended June 30, 1941, of $1,537,773 and a net income after all taxes of $314,391. In the first quarter operating revenue was $1,193,838 and net profit of $141,355.

For the first half in 1941 Saguenay Power's operating revenue totalled $2,731,611; $2,535,307 the same period a year ago. Expenses generally were higher for the past six months, with the result net revenue of $443,659 compared with $505,359 for the first half in 1940.

Comparatively figures on the consolidated income account for the three months and six months ended June 1941 and 1939 follow:

Consol. Income Statement
3 Months Ended June

	1941	1940
Oper. revenue	$1,537,773	$1,297,025
Less: Expenses	305,596	185,724
Taxes	82,095	80,105
Other income	41,239	14,925
Net revenue	1,191,319	1,046,121
Less: Bond int.	363,875	368,690
Other interest	212	210
W/o cap. discount	44,144	44,144
Exchange	......	21,391
Depreciation	183,670	181,673
Income tax, etc.	285,026	233,105
Net profit	314,391	196,908
Less: Pfd. divd.	68,751	68,751
Com. dividend	157,500	......
Surplus	88,140	128,157
Prev. surplus	3,632,398	3,677,396
Surp. forward	3,720,538	3,805,553

6 Months Ended June 30

	1941	1940
Oper. revenue	$2,731,611	$2,535,307
Less: Expenses	559,417	351,097
Taxes	165,663	160,992
Other income	74,742	34,279
Net revenue	2,081,273	2,057,497
Less: Bond interest	727,742	737,375
Other interest	211	210
Debt discount	88,288	88,288
Exchange	......	42,832
Depreciation	365,624	359,185
Inc. tax, etc.	443,660	324,247
Net profit	455,747	505,359
Less: Pfd. divd.	137,504	137,503
Com. dividend	315,000	210,000
Surplus	3,243	157,856
Prev. surplus	3,717,295	3,647,697
Surp. forward	3,720,538	3,805,553

STANDARD RADIO BOARD

The recent special meeting of shareholders of Standard Radio Ltd. approved by-laws reducing number of directors from 10 to 6. The new board consists of the following:

J. E. ROGERS, president, Toronto.
SAMUEL ROGERS, secretary, Toronto.
HARRY SEDGEWICK, Toronto.
G. HARRISON SMITH, Toronto.
D. I. McLEOD, Toronto.
CARL SANDERS, North Bay.

UNITED GRAIN DIVIDEND

United Grain Growers Ltd. has declared a dividend of 5%, or $1.25 a share, on its common stock for the year ended July 31, 1941. The company resumed dividends in 1940, following a three-year lapse.

DIVIDEND NOTICES

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share on the Outstanding No Par Value Shares of this Company has been declared for the Quarter ending 31st July, 1941, payable 25th August, 1941, to Shareholders of record at the close of business on the 31st July, 1941.

By Order of the Board,

F. W. EVENS,
Secretary.

Montreal, Que.,
22nd July, 1941.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 347
EXTRA DIVIDEND NUMBER 73

A regular dividend of 1% and an extra dividend of 1%, making 2% in all, have been declared by the Directors on the Capital Stock of the Company, payable on the 12th day of August, 1941, to shareholders of record at the close of business on the 29th day of July, 1941.

DATED the 22nd day of July, 1941.

I. McIVOR,
Assistant-Treasurer.

The Corrugated Paper Box Company, Limited

PREFERRED STOCK DIVIDEND No. 25

Notice is hereby given that dividend No. 25 of 1¾% has been declared on the Preferred Stock of the Company, payable on the 2nd day of September, 1941, to shareholders of record at the close of business on the 15th day of August, 1941.

Dated the 22nd day of July, 1941.

J. A. WHEALY,
Secretary.

Siscoe Gold Mines Limited

NOTICE OF DIVIDEND No. 38

Notice is hereby given that a Dividend of Two Cents (2c) per share on the issued Capital Stock of Siscoe Gold Mines Limited has been declared payable on September 15th, 1941, to shareholders of record at the close of business on the 16th day of August, 1941.

By Order of the Board,

H. E. GREEN,
Secretary-Treasurer.

Montreal, July 18th, 1941.

Western Crop Seriously Hit by Heat Wave

Tens of Millions of Bushels Lopped Off Prospects

From Our Own Correspondent

WINNIPEG.—Last week's heat wave lopped tens of millions of bushels from this year's prospective grain crop. Both wheat and feed grains suffered.

Previously, there had been much damage from excessive dryness but this could have been remedied by favorable weather following. The blistering temperatures of a few days ago, however, made recovery impossible and thousands of acres of grain have now ripened prematurely.

Manitoba Best Off

The crop in Manitoba, which had got away to an early start, and which over the greater part of the province had received good supplies of moisture, has stood up best. The comparatively good conditions in that province are a reminder of the enormous benefit conferred by the development of rust-resistant varieties of wheat. With the former wheats, Manitoba must have inevitably incurred very serious rust losses under the weather conditions which have been experienced this year.

In Saskatchewan it has been realized for some time that crops were bound to be poor over large areas, and the extent of those areas has been greatly increased during the past week.

The setback has perhaps been greatest in Alberta. There with a strong tradition of recuperative powers from adverse conditions, hopes for a crop comeback had been entertained over a large part of the province, and were reluctantly abandoned.

It is too soon yet to estimate total production. So far as wheat is concerned, disappointment is lessened by the fact that farmers were going to be restricted in any event to delivering a total of 222 million bushels of wheat. Earlier it was expected that even on this year's reduced acreage, production for sale would greatly exceed that quantity. Now it is at least possible that there will be no excess, after allowance is made for farmers' requirements for seed and feed.

Feed Grains

It was also an earlier assumption that western Canada would have a great surplus of feed grains to be marketed in other parts of Canada. The fact that four million acres additional had been put into oats and barley, as compared with the previous year, caused worry in the west as to where the surplus could be sold, and confidence in eastern Canada that any local deficiencies could be met for the Prairies. Now it is by no means sure that the west will have any greater quantities of feed to dispose of than was the case during the previous year, especially since its own livestock population has been increased.

Canadian Car To Get Orders

Ralph Bell Assures Full Out Operations at Fort William Plant

From Our Own Correspondent

MONTREAL. — Ralph P. Bell, director of aircraft production, has notified officials of the Canadian Car & Foundry's aircraft plant at Fort William that arrangements are being completed which will keep the plant operating on a "full out" basis, for the war's duration.

Arrangements are in process of being completed, says Mr. Bell, details of which may be announced shortly, which will enable the plant to run full for the duration.

Last week Mayor C. M. Ross of Fort William announced it would be necessary to lay off 1,000 Canadian Car employees, at least temporarily, because negotiations had fallen through for construction of Consolidated bombers. The breakdown on negotiations was confirmed by Ottawa.

Following this announcement, A. P. Olive, employment agent for International Nickel Co. of Canada, arrived at Fort William for the stated purpose of signing as many of the idle aircraft plant workers as possible. It is understood 240 men have been signed to work for International Nickel.

Week in Wheat

Market Uninterested In Threat to Crop

Huge Carryover Still Dominates Though Farmers Less Inclined to Sell — Heavy Crop Loss Plus Exports Might Alter Picture

From Our Own Correspondent

WINNIPEG—The market for coarse grains reflects recent crop damage by stronger prices for oats and barley for the new crop deliveries. Under normal circumstances the wheat market would also be reflecting this development. As things are, however, the impairment of crop prospects has had only a little influence on the level of wheat quotations.

The size of old crop carryover makes it a matter of comparatively little market importance whether the new crop varies a hundred million bushels either way.

The wheat market level may be said to be suppressed by the carryover, and be maintained because the Dominion Government, owner of most of the carryover, is withholding by far the greater part of it from sale.

However, a short crop this year on the North American continent, plus a continuance of present heavy exports, might make a substantial change in the situation in another six months. It is considered rather significant that many farmers are still holding onto old crop wheat. To qualify for storage bonus, and to escape coming rigid restrictions on deliveries, this must be sold before July 31.

Keep Old Crop

Contrary to expectations almost universally prevailing in the West up to a month or so ago, a considerable quantity of old crop wheat will be carried over by farmers after July 31. After that date rural wheat deliveries are subject to rigorous quotas, whether made to the Wheat Board or sold on the open market. In addition, any farm storage credits which may have accrued to farmers, which now amount to six cents a bushel, will be cancelled on wheat not delivered to the Wheat Board.

Those considerations seemed to justify the belief that farmers would be irresistibly impelled to dispose of all old wheat before the new crop was ready.

But two new factors have entered the situation. In the first place prospects for wheat production from the new crop have been greatly impaired during the past three weeks. Many farmers now see little likelihood of producing even the quantity of wheat likely to be allotted to them under delivery quotas, so July 31 represents no dead line on deliveries for them.

Even where that condition does not prevail, and carried over wheat will presumably have to be held for another year before its sale will be allowable, conditions are a reminder of the possibility of crop failure in the future, and of the desirability of maintaining reserves of wheat for seed and for feed.

* * *

See Higher Price?

In addition to the matter of supplies, the question of price is receiving consideration. The market lately has shown some degree of strength, sufficient to keep wheat prices above the Wheat Board level, even with the inclusion of farm storage payments. The prospect of losing the benefit of such payments, therefore, does not constitute a worry. The open market is currently offering more for new crop deliveries by seven to nine cents or more than would be obtainable from the Wheat Board. If that is the case, perhaps there is the prospect that wheat again will be valuable property, and that there is something to be gained by holding it.

How much wheat will thus be retained by farmers cannot now or later be accurately calculated. With a crop as large as that which was produced in 1940 there is a wide margin for error in the estimate of the total. And with the increase of livestock population in the West, and a strong market prevailing for livestock, the quantity of wheat which has been fed remains something rather to be guessed at than estimated.

Alberta Marketing Scheme Starts on Poultry Products

From Our Own Correspondent

EDMONTON. — Establishment of an Alberta Government eggs and poultry products marketing centre in Edmonton should be completed shortly, according to Hon. E. C. Manning, minister of trade and industry. The plan is approved by a plebiscite of affected producers and legislation authorizing the bureau was passed at the last session of the Legislature.

The Edmonton bureau will be the first of others to be established throughout the province. The Alberta Poultry Marketing Board, under the scheme now under way, will control the output of all Alberta poultry products sold by persons with more than 50 birds, except in the Peace River country.

Mr. Manning said the marketing setup is patterned on a similar plan in Australia and on a fruit, fish and vegetable marketing setup in British Columbia. The board hopes eventually to handle marketing for all poultry producers.

McMarmac Nets 3.9 Cents a Share

Net profit of $76,926 or 3.9 cents a share was realized by McMarmac Red Lake Gold Mines in the initial period of milling from Nov. 1, 1940, to April 30, 1941.

Production of $253,898 was netted from milling 13,712 tons of ore, with average recovery of $18.52 a ton. Total of ore reserves at May 1 was 31,875 tons of broken, proved and probable ore. President W. G. Armstrong states this includes only the main or central ore shoot in the mine.

The main shaft is now being deepened 300 ft. below the 450-ft. level. Two more levels will be opened up.

Balance sheet as at April 30, 1941, shows total current assets of $138,688, including $26,015 cash.

Kerr-Addison Profit Jumps

Operating Profit $892,468 in Second Quarter Against $613,660 in First

Reflecting the gradual increase in milling rate, operating profit of Kerr-Addison Gold Mines showed an increase of $892,468 in the second quarter of 1941 from $613,660 in the immediately preceding three months.

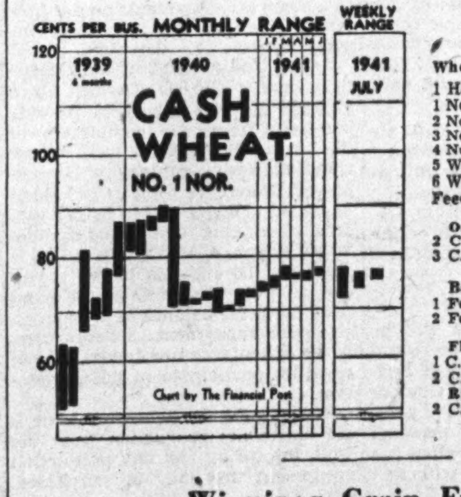
Installation of the new ball mill completed in July is expected to allow a further increase in tonnage milled to 2,000 tons daily as well as giving finer grinding.

Sinking of the main shaft for 10 new levels below the 1,450-ft. horizon is now under way with the station at the 1,600-ft. level already cut.

Diamond drilling south of No. 15 ore body on the 300-ft. level has indicated roughly an ore body 625 ft. long averaging 0.266 oz. gold over an average width of 12.4 ft. Development is now under way to explore this zone.

A drift was driven through 10C ore zone on the 700-ft. level. The muck samples from 217 ft. of drift averaged 0.396 oz. gold per ton. Ore body No. 15 at the 1,000-ft. horizon has been opened by drifting for a length of 120 ft. from which muck samples averaged 0.323 oz. Drifting and drilling on the 1,300-ft. level indicates an ore length of 240 ft. averaging 0.267 oz. gold over a width of 16 ft.

Wheat Prices



Cash Quotations

Wheat	For Week July 21 High	For Week July 21 Low	Prev. Week High	Prev. Week Low
1 Hard	.76⅞	.75¼	.76⅛	.74¾
1 Nor.	.76⅞	.75¼	.76⅛	.74¾
2 Nor.	.74¼	.72⅝	.73⅝	.72¼
3 Nor.	.71⅞	.70⅜	.70⅞	.69⅞
4 Nor.	.71	.69⅜	.69⅞	.59⅞
5 Wheat	.75⅞	.74½	.74⅞	.73¾
6 Wheat	.74⅞	.73½	.73¾	.72¾
Feed	.61⅞	.61	.65	.64¾
Oats				
2 C W.	.41⅛	.39	.41⅛	.39½
3 C. W.	.38⅜	.36¼	.39⅞	.36¾
Barley:				
1 Feed	.54¼	.53	.56	.53⅞
2 Feed	.52¾	.51	.54⅝	.52⅞
Flax:				
1 C. W.	1.60	1.57½	1.68¾	1.59
2 C. W.	1.56	1.53½	1.66	1.55
Rye:				
2 C. W.	.54⅞	.53⅝	.57½	.55⅛

Winnipeg Grain Futures

Week to July 21, 1941

Crop year from Aug. 1, 1940 High	Crop year from Aug. 1, 1940 Low		Open July 15	High for week	Low for week	Close July 21	Close year ago
		Wheat					
.81⅝	.71⅜	July	.74¾	.77⅛	.74⅜	.76⅛	.71⅜
.79⅝	.73⅞	Oct.	76.⅞	.79⅝	.76½	.78½	.73⅝
.80½	.78	Dec.	.78	.80½	.78	.79⅞	.74⅝
		Oats					
.41¾	.29½	July	.39¼	.41¾	.39	.41⅛	.32¼
.37⅛	.30¾	Oct.	.35¾	.37⅛	.35⅝	.37⅛	.29
.34⅞	.33	Dec.	.33½	.34½	.33½	.34½	.27¼
		Barley					
.57½	.39⅞	July	.55¼	.56¾	.54⅞	.56⅛	.34¾
.49⅛	.41⅞	Oct.	.46⅝	.49⅛	.46½	.48⅞	.36⅜
.47⅝	.44⅛	Dec.	.44⅞	.47⅜	.44¾	.47	.36⅞
		Flax					
1.92⅝	1.29⅛	July	1.59⅛	1.61¼	1.57½	1.58	1.28
1.79¾	1.41¼	Oct.	1.49½	1.54¼	1.48½	1.53½	1.32
1.53¼	1.45¾	Dec.	1.48	1.52¼	1.46¾	1.51¾	...
		Rye					
.64⅛	.47⅞	July	.55	.55	.53⅜	.54	.45
.61⅝	.50⅛	Oct.	.55⅜	.55⅞	.54¾	.55¼	.45⅝
.58	.53¼	Dec.	.55⅝	.56	.55⅛	.55⅝	.46¾

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RECEIVERS · SHIPPERS · EXPORTERS
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Can. Machinery Booked to 1942

From Our Own Correspondent

MONTREAL.—Canada Machinery Corp., manufacturers of machine tools, is booked with orders until the middle of 1942. The company's wholly owned subsidiary, Sandilands Valves, is equally active, but its backlog of orders does not extend much beyond the end of this year.

Reflecting improvement in operations, both gross and net earnings for the current year are running well ahead of 1940. To the end of May Canada Machinery had a net income, before taxes, nearly double that for the same period last year.

A relatively better showing was made by the subsidiary unit, whose operating profit has more than doubled this year.

There has been a demand for all the company and its subsidiary can manufacture. Some business has had to be turned down. In connection with the valve company, it is anticipated that the new shipbuilding programme undertaken by the Dominion Government will be productive of considerable additional business.

In view of the sharp improvement in earnings, the company has initiated dividends on its common stock. The first payment of 50 cents a share was made on the new stock on June 28 last.

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Week in Mining

Huge Nickel Expansion Will Aid United States

Arrangements For Large International Nickel Capital Expenditures Announced by Hon. C. D. Howe, Minister of Munitions

Following a trip to Washington, Hon. C. D. Howe, Minister of Munitions, announces that arrangements have been made with International Nickel Co. of Canada for a major increase in production involving large capital expenditures by the company.

International Nickel's new expansion programme is expected to make a huge additional supply of nickel available to the United States where the metal is becoming increasingly scarce, Mr. Howe states. As Inco has pursued a forward mine policy, an increased production of nickel is believed to be chiefly a matter of providing extra surface plant—more concentrating, smelting and refining facilities. No statement on capacity has been issued since 1939 when the company had four blast furnaces with an annual capacity of 800,000 tons, seven reverberatories with an annual capacity of 2.8 millions tons and 24 converters. Refining capacity was 150,000 tons of copper a year.

Kirkland Story Reprinted

Last week's feature story, "Kirkland Lake Another Mysore?" has apparently aroused special interest. The article was used in full by the Timmins Daily Press. The Northern News of Kirkland Lake is understood planning to reprint the story also.

The Post believes that the feature was the first non-technical story to be written around recurrent ore possibilities in the Kirkland Lake area. We are indebted to A. L. Blomfield, managing director and mine superintendent at Lake Shore Mines, for the main ideas around which this story was worked out.

* * *

Smelters Deal

More details come from Washington this week concerning the deal by which Metals Reserve Co., the purchasing and stock-piling company of the United States, is acquiring lead from Consolidated Mining and Smelting Co.

According to a Washington dispatch, a total of 225,000 short tons of lead is being purchased in Canada and Mexico during the second half of the year to meet United States defense requirements. Of this, 50,250 tons is stated to represent stockpiles material of three smelting companies in which Consolidated Mining and Smelting Co. is included.

Metals Reserve Co. is stated to be paying 3.75 cents a pound for the lead, exclusive of duty, at Trail, B.C. This is understood to be somewhat higher than the fixed contract price of sales to the United Kingdom.

* * *

B. C. Output Up

Final figures show production of British Columbia for 1940 at a new high of $75,352,730, $9,761,183 more than the total for the previous year. Outside of gold and coal, figures are not broken down due to restrictions on publication of metal statistics during wartime.

Lode gold production for 1940, however, amounted to $22,113,091 while $1,236,928 of placer gold was also recovered. Coal output for the year was $7,088,625 or $808,000 more than the previous year.

Capital employed by the British Columbia mining industry is placed at $139,694,733 while $23,391,330 was paid in salaries and wages last year to 15,705 workers. Dividends paid by 23 producing companies totalled $14,595,530, an increase of $3,730,000.

* * *

Seeks Concessions

Zincton Mines, formerly Lucky Jim, now controlled by Sheep Creek Gold Mines, is negotiating to obtain concessions on taxation and U. S. tariff so as to make the operation more satisfactory from the financial standpoint.

The Zincton mill is working on a 160 to 175 ton basis, with ore averaging 14.5% zinc against the estimate of 13.4%. There will be no trouble in meeting the estimated cost of $3 a ton, according to Manager Henry Doelle, but until the tax and tariff situation is clarified the earnings of the company will remain difficult to compute. The operation is well safeguarded by ore reserves.

The company is shipping all its production to Anaconda Copper Co., but the U.S. duty of 1.2 cents per pound at present absorbs better than 50% of Zincton's gross income. The actual smelter settlement is on the basis of 80 to 85% of the contained zinc, so that the duty is really greater than the figure indicates.

* * *

Bullion Receipts Gain

Bullion receipts at the Royal Canadian mint indicate that gold production for the first six months of this year was slightly higher than for the corresponding period of last year.

A total of 2,539,879 fine ounces of gold were received at the mint in the first six months of 1941 against 2,445,614 ounces in the first half of 1940. This represented an increase of 3.9%.

Receipts in June totalled 405,631 ounces compared with 422,257 ounces in June, 1940, while May receipts were 448,436. Average receipts for the first six months of this year work out at 407,602 ounces so June receipts were narrowly below the average.

Mining Concentrates

Bralorne Mines has ore and waste passes completed between 1,400 and 2,000-ft. levels of the Crown shaft and crosscutting to veins on these intermediate levels is now progressing favorably. Development work on the 2,000-ft. level has been very satisfactory but to develop intermediate levels more rapidly, work on the 2,000-ft. level has been curtailed. At Buccaneer Mines, in which Bralorne is interested, a 25-ton mill will be placed in operation within a month if deliveries are on schedule. Summit King, the company's Nevada subsidiary, has repaid to date more than half the funds advanced to it by Bralorne and has also built up reasonable reserves for taxes and contingencies. Bralorne's production showed an increase the second quarter of 1941 as follows:

Quarter ended:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
June 30, 1941	47,862	526	28.47	1,362,650
Mar. 31, 1941	47,280	525	20.93	989,450

* * *

Chesterville Larder Lake Gold Mining Co. has declared a dividend of 5 cents a share payable Aug. 20, 1941, to shareholders of record Aug. 5. From present indications, it appears likely that three distributions of 5 cents a share each will be made this year, a source close to the company states.

* * *

East Malartic Mines has declared a dividend of 10 cents a share payable Aug. 30 to shareholders of record Aug. 1, involving a distribution of $400,000. It is now expected the company will pay three 10-cent dividends this year instead of four as had been anticipated previously.

* * *

Gillies Lake-Porcupine Gold Mines Exploration, being carried on by Hollinger Consolidated, resulted in an interesting intersection associated with porphyry being made in June. This intersection is now being checked by further drilling. Drilling was the only work carried on during the month.

* * *

Granby Consolidated realized an operating profit of $199,989 for the three months ended June 30, 1941, after deducting reserves for income and other taxes. After deducting usual reserves for depreciation and depletion, net profit amounted to $126,045 equal to 28 cents a share. In the previous quarter, net was $152,782 equal to 34 cents a share. Grade of ore shipped during the second quarter of the year declined to 1.227% copper for the first quarter. Diamond drilling and mining operations during the period resulted in a net addition to ore reserves over ore shipments. Ore reserves at the end of the second quarter contained 17,220,729 tons with an average grade of 1.32% copper, according to the company's engineer. Outstanding 5% debentures have been reduced to $274,700 through additional purchases for retirement.

* * *

Hedley Mascot Gold Mines has declared its usual quarterly dividend of 2 cents a share payable Aug. 15, 1941, to shareholders of record July 24.

* * *

Howe Sound Co. realized net profit of $392,547 equal to 83 cents a share the three months ended June 30, 1941. This compared with $300,481 equal to 63 cents a share the first quarter of the year before federal excess profits tax.

* * *

Lake Shore Mines has shown a reversal in the downward trend of production with an increase being shown the second quarter of this year.

Quarter ended:	Tons milled	Tons daily	Recov. per ton	Total recov.
June 30, 1941	154,451	1,697	14.91	2,302,507
Mar. 31, 1941	151,629	1,685	14.45	2,191,596

* * *

Missinaibi Clays & Mining is making preparations for production of refractory clays from its No. 2 property on the Mettagami River. Officials are anticipating starting production before the end of the summer. When profitable operation has been established, it is planned to give attention to kaolin (china clay) and silica sand as well as the manufacture of fire brick from the refractory clay.

* * *

MacLeod-Cockshutt Gold Mines showed a steady increase in monthly production in the second quarter of 1941 as shown below:

Month:	Tons milled	Tons daily	Recov. per ton	Total recov. $
June	18,981	633	10.25	194,485
May	20,055	647	9.06	181,657
April	19,050	635	9.18	174,523

* * *

Senore Gold Mines has encountered the shear zone in crosscutting at the 500-ft. level with the zone reached at approximately 225 ft. from the shaft. Near the face, a 5-ft. vein of quartz and altered granodiorite was encountered south of the north contact of the shear zone. Drifting east and west is now proceeding on this vein.

* * *

Sturgeon River Gold Mines is expected to start deepening its shaft a further 500 ft. around the beginning of September. The shaft is at present down 1,750 ft. Plans call for the opening of three additional levels at 166-ft. intervals. Conditions at depth are stated to have shown considerable improvement, starting at the 1,415-ft. horizon. On June 1, 1941, ore reserves amounted to 111,000 tons of 0.32 oz. grade against only 38,445 tons at the end of last year.

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East Malartic Mine Shapes Up

Profit Low First Half But Output Boost On Way

From Our Own Correspondent

MALARTIC, Que.—A final conquering of difficulties which have beset the mine the last year is being looked forward to at East Malartic Mines. Earnings over balance of the year are expected to reflect a progressive increase in output which may reach $300,000 monthly later in the year against $225,241 realized last month.

Mill capacity is estimated at 2,000 tons daily against approximately 1,500 tons daily at present being put through the mill circuit. It is expected that with minor additions and adjustments this extra capacity can be used to achieve the increase in production aided by smaller dilution resulting from changed mining methods. Increase in tonnage milled is stated to be warranted by the present condition of the mine.

Earned 10 Cents in Six Months

Lower production resulted in lower profits in the first half of this year. Net profit after all charges, including taxation, amounted to $401,304 or 10 cents a share. A decided improvement on this figure appears likely for the latter half of the year, however.

Preparation of six new stopes from the 670 to the 1,570-ft. horizons resulted in a heavy mine development charge of $260,318 for the first six months equal to 97 cents a ton milled. An additional $57,686 was charged for stope preparation. As a result of these costs operating expenses reached $3.25 a ton in May but the figure was reduced to $3.04 a ton the following month. It will be recalled that an increase of $1 a ton was forecast with new mining methods some time ago so expenses are up just about the amount anticipated.

In an accompanying table will be found details of operating results the first six months of this year.

Development Provides Ore

Development is providing a considerable tonnage of ore and it is likely that more will be obtained from this source in the near future. Upward of 300 tons of ore daily is coming from drifting on the lower levels. With drifting to the east and west on five lower levels to be under way in Setepmber, 600 tons of ore a day or more will be made available. This ore will be well above mine average and production and profits are expected to show a sharp upward trend. Drifts are to be advanced along the contact zone of greywacke to the south and the ore structure to the north. The structure will also be explored by drilling at 50-ft. intervals.

Preliminary stope preparation on these lower levels is expected to be under way in September with an increasing tonnage of ore made available in the fourth quarter of the year.

New Ore to East

Drifting east in the M-3-E drift at the 485-ft. level has been carried 1,500 ft. The face is now 110 ft. west of surface hole No. 95 which gave 6.8 ft. grading 0.31 oz. on the contact and 31.5 ft. of .107 oz. grade in sediments south of the contact. The drift which is being carried along the contact has been in ore grading 0.2 to 0.25 oz. for the last 50 ft. Drifting has entered the new ore body disclosed in surface drilling. Ore widths up to 60 ft. have been indicated over a length of 600 ft. with the east end still open. Close intervals drilling will be done as the drift is advanced to delimit the ore structure.

Exploration of ore zones to the east is to be carried out at depth on the 1,570-ft. level.

East Drift Intrigues

In accordance with the easterly rake or plunge of the main ore bodies this drift to the east will be of great interest. It will provide structural information on which to base plans for a second production shaft. The location of this shaft will be south of the main ore body in the sedimentary foundation and over 3,000 ft. east of the present shaft. Consideration will be given shortly to deepening the present shaft to get additional formation at depth and to the east.

On the whole continuity of grade and structure of the main ore bodies has been confirmed in initial development at depth. The upper level structures have carried 4,000 tons of ore to the vertical foot. The new east ore body being developed on the 485-ft. level also has large tonnage potentialities.

Surface drilling is now being continued to the east. Highly interesting structural intersections have been made in the area adjacent to the east boundary. This has disclosed a fractured porphyry zone with ore intersections. Additional drilling is to be done.

The expectation now is that three dividends of 10 cents a share will be paid this year. A second dividend of 10 cents has been declared this year, payable Aug. 30.

Six Months Results at East Malartic

Month	Tons milled	Tons daily	Recov. per ton $	Production value $	Operat. profit $	Net profit $	Earns. per sh. c.
January	45,470	1,467	5.49	249,566	124,037	79,389	1.98
February	42,489	1,517	5.22	221,760	99,721	54,865	1.37
March	46,009	1,484	5.88	270,621	132,320	76,261	1.91
April	44,160	1,472	6.14	271,325	140,310	84,057	2.10
May	45,990	1,483	5.50	252,528	103,165	55,219	1.38
June	43,408	1,447	5.19	225,241	93,337	51,512	1.29
Total, six months	267,526	1,478	5.58	1,491,041	692,890	401,304	10.03

New Gold Fields West Area Potentially Important

From Our Own Correspondent

MALARTIC, Que.—Recent surface diamond drill results secured by Malartic Gold Fields at a location 2,200 ft. west of the shaft are viewed as very important to the potential ore resources of the company's property.

As reported previously by The Financial Post, the first hole in this area—No. S-139—returned 17 ft. averaging 0.42 oz. gold per ton close to surface. Another hole below the first hole returned 10.6 ft. running 0.42 oz. at 150 ft. depth, indicating a 75 degrees north dip.

Width of 28.5 Feet

A hole put down 100 ft. to the west of the first hole returned 28.5 ft. averaging 0.21 oz. of gold at 200 ft. depth. Another hole 300 ft. east of the first hole gave 6.3 ft. grading 0.10 oz. and 31 ft. of 0.008 oz. in the same geological structure. Further drilling at 100-ft. intervals is being done to the east and west.

Although it has not been definitely proved, it is believed that drilling has disclosed the westward extension of the main ore structures. Drifting west on the first level has now been carried 1,500 ft. to the west and is now only 700 ft. from the area being drilled. The drift is being carried farther to the west for preliminary development and exploration. With further favorable disclosures, consideration will be given to sinking a No. 2 shaft to the west for development at depth.

Shaft Down 1,370 Feet

Sinking of the main shaft has been carried to 1,370 ft. with four new levels established at 750, 900, 1,050 and 1,200 ft. A loading pocket has been established below the 1,200-ft. level and ore passes are now being driven. Development of the new levels is expected to be under way in August. Due to the north dip of the ore bodies, 500 ft. of crosscutting will be necessary to reach the ore zone on the 1,200-ft. horizon. Initial work will be done at this level.

The mine has been changed over from a shrinkage to a cut and fill method of stoping. This will entail somewhat higher mining costs. The latter will be offset by closer control of dilution and will be reflected in grade mined and milled.

Production and operating profits have shown an upward trend in recent months as noted in results for the first six months of this year.

Month:	Tons milled	Tons daily	Total recov. $	Operat. profit $
January	19,579	632	149,638	74,227
February	19,528	697	144,568	70,289
March	22,864	738	149,922	68,808
April	21,479	716	135,581	57,556
May	21,146	682	159,194	67,535
June	20,583	686	160,281	75,727
Total	125,179	692	899,184	414,142

Preston East Dome Mines had estimated net profit of $580.327 before depreciation, depletion and pre-development write-off for the six months ended June 30, 1941, against $658,242 the same period last year. Earnings were equal to 19.3 cents a share against 21.9 cents for the first six months of 1940.

McIntyre Profit Off

Earnings Equal $1.02 a Share Against $1.22 Same Quarter Last Year

Slightly lower production combined with higher operating costs and taxes to reduce earnings of McIntyre Porcupine Mines to $812,975 or $1.02 a share in the three months ended June 30, 1941, compared with $972,832 or $1.22 a share in the corresponding quarter of last year.

Gross income in the June quarter of this year amounted to $2,409,966 or roughly $142,000 less than the same period of 1940.

Operating costs and taxes showed minor increases of $22,367 and $8,493, respectively, while depreciation charges dropped by $12,963.

Total costs at $1,596,992 were approximately $17,900 higher.

Earnings in the fiscal year ended Mar. 31, 1941, had amounted to $4,76 a share compared with $4.55 a share the previous fiscal year and $4.24 a share in the year ended Mar. 31, 1939.

B. C. Vein Found At Cariboo G. Q.

From Our Own Correspondent

VANCOUVER.—Managing director R. R. Rose advises that he believes that the B. C. vein has been picked up on the main level of Cariboo Gold Quartz workings in Barkerville Mountain.

The width of quartz averages 4 ft. at the point cut, the mineralization being in pyrite only.

Last month Mr. Rose reported that faults had been encountered that cut off the B. C. vein at both ends of the drift after it had been followed 50 ft. on the 15-main level showing values of .51 oz. gold to the ton across an average width of 4 ft. for that distance.

New Type Debentures Offered on United Well

A public offering of $120,000 of non-interest bearing debenture-royalties of United Assets Ltd. is being made by C. C. Fields & Co., Clifton C. Cross & Co. and other dealers. The debentures are being offered at par with a bonus of 1/40 of 1 net deferred royalty with each $100 par value of debentures.

The debenture-royalties call for repayment of principal from the net proceeds of production of the United-B. A. well now being drilled on proved structure in L. S. D. 16, sec. 12-19-3-w5, on acreage north of the Lion-Sunray No. 1 well, the third largest in the field.

Six Payments a Year

Repayments of principal will be made on the same day as the record dates, the last business days of February, April, June, August, October and December. Repayments of principal will not be subject to personal income tax After the principal has been repaid the holder will still retain his deferred royalty, which will then be an ordinary net royalty, payments on which will be subject to income tax. Payments on net preferred royalties are subject to income tax less 25% depletion.

Authorized amount of the debenture issue is $260,000 of which up to $200,000 may be issued to provide sufficient funds for completion of the United-B. A. No. 1 well, whose completion is guaranteed by Brown-Moyer-Brown. A total of $40,000 is payable to Okalta Oils in lieu of 10% gross overriding royalty and five deferred net royalties. There is 12½% gross royalty payable to the crown and an overriding 5% to the company, with the balance of production going for repayment of debentures. After debentures are repaid, 85 net royalties participate in net production.

Security for the debenture issue is the entire net production from the well, the casing and any production equipment that may be purchased.

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McLellan Shaft Down Below 300-ft. Level

Sinking of the shaft at McLellan Gold Mines has now reached a depth of over 300 ft. and cutting of the second level station at 300-ft. depth is now under way.

Sinking of the shaft to its objective of 320 ft. will likely be completed by July 25 with crosscutting under way before the beginning of August. Some encouragement has been reported from surface prospecting recently.

Wright-Hargreaves Step Doesn't Go Far Enough

Wright-Hargreaves Mines has added a new geologist to its staff. He is Dr. Victor Dolmage, generally credited with solving difficult geological problems at Hedley Mascot Gold Mines in British Columbia. From his background, it appears that Dr. Dolmage will make a valuable contribution to the working out of problems at Wright-Hargreaves Mine.

But the management is still not taking the public fully into its confidence. A shareholder this week asked an investment counsel what he should do with his Wright-Hargreaves stock. He was advised to sell. Why? Because the investment counsel believed that stock should be sold when its value cannot be calculated with reasonable certainty; when the full situation is not revealed by the trustee of the shareholders which is the management.

One answer to the present situation is a completely independent geological and engineering survey on the position of the mine. Undoubtedly a move by the management to have such a survey completed would be the first real step in securing a return of confidence. The second step would be a plan to give more information to shareholders from now on.

Assume that an engineering survey would cost $50,000—a very liberal sum. This would still be less than a cent a share on each of the 5.5 million shares of this company in the hands of the public. When earnings of 77 cents a share per annum are being realized, loss of a cent a share in revenue would hardly be missed.

Week in Oils

Crude Boost Reaction

From Our Own Correspondent

CALGARY.—Turner Valley's increase in crude oil prices by 27 cents a barrel last week was definitely encouraging to the oil industry. With an increase in price averaging slightly over 21%, the eyes of oilmen brightened. The boost will bring profits from production, stimulate development, put idle rigs back to work, and bring about a new era for Alberta oil, oilmen believe.

There are complaints however, that the Oil Controller delayed too long and that now a third of the rigs working three months ago are now idle.

* * *

Lower Output Ahead?

Inevitably, the period of declining drilling will be reflected in reduced Turner Valley production this fall and early winter.

Turner Valley production is expected to show a decline just at the time when prairie consumption hits its annual high—when prairie farmers gas up their tractors to harvest the 1941 crop. This will likely result in importing hundreds of thousands of barrels of petroleum to bring in the crop.

* * *

Price Varies

Under the new posted price schedule, issued by the various purchasers of Turner Valley crude in line with the Oil Controller's order, the value of each gravity of crude has been raised 27 cents per barrel. Value of the field's average product, of 43 degree gravity, has been upped from $1.28 to $1.55 per barrel. The value of crude declines two cents per barrel for each degree drop in gravity below 43 degrees API and increases two cents per barrel for each degree increase in gravity above 43 degree API.

The average price increase is slightly over 21%. The increase in net operating revenue, after provision for gross royalties and production cost is expected to average around 23%, ranging from slightly over 21% on the largest wells, around 23% on average wells (daily production of 175 to 200 barrels, per day), over 26% on a 100-barrel well, and more than 100% on the few wells in the 25 barrels per day class.

* * *

Consumption Drops Little

An analysis of civilian petroleum products consumption in the prairie area served by Turner Valley, made by The Financial Post correspondent, indicates that even if the amount of gasoline consumed by all passenger cars is cut in half, as requested by Oil Controller Cottrelle, total civilian consumption would only be reduced by between 5 and 6½%.

Civilian consumption of Alberta-produced and refined petroleum products is split up roughly as follows:

	Approx. %
Passenger cars	12.95
Taxicabs	.35
Motorcycles	.03
Lighting plants, boilers, etc.	14.29
Commercial vehicles	23.82
City trucks	9.52
Farm trucks	5.71
Farm tractors	33.33

* * *

Oil Demand To Continue

Inasmuch as Alberta oil fields, because of the steadily increasing demands for petroleum products for both civilian and military use on the prairies, will fall short of meeting the prairie needs for 1941 by between 2 and 2.5 million barrels, even if Turner Valley oil yield can be sustained at 26,000 barrels daily this fall and winter, the restriction of pleasure car consumption ordered last week by the Oil Controller will in no way affect Turner Valley or other Alberta fields. Production will continue at the maximum.

Following close on the heels of the increase in crude oil prices, Drillers & Producers was preparing to spud in its No. 3 well on Monday. Spudding of the well raises number of Turner Valley drilling wells to 22.

There are 30 or more rigs in the field, leaving at least eight still on the idle list.

Sheep Creek Picks Up Ore Shoot in 81 Vein

From Our Own Correspondent

VANCOUVER. — A new oreshoot has been contacted in Sheep Creek Gold Mines' 81 vein, second only to the 92 vein from the standpoint of prospective tonnage and grade, according to Managing Director Henry Doelle.

The new shoot was discovered during exploration of new ground by extending the fifth level into the western section of the property. The first 150 ft. of this oreshoot averaged .78 oz. gold per ton across an average of 3 ft. After passing through a lean section the heading is again in good values. Doelle anticipates considerably greater length.

In this western section of the mine the 92 vein was strong in width and length but values were low, running about 0.2 oz. gold to the ton. However, there has been considerable variation in values in different veins, so Mr. Doelle does not regard this tendency as significant.

Upper Canada Mines showed a decrease in production the second quarter of 1941:

Quarter ended:	Tons milled	Tons daily	Recov. per ton	Total recov.
June 30, 1941	18,155	200	16.26	295,222
Mar. 31, 1941	18,433	205	17.81	328,209

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DEBENTURE-ROYALTIES
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DEBENTURES IN UNITED ASSETS LIMITED
and
ROYALTIES ON UNITED — B.A. No. 1 WELL

United B. A. No. 1 Well is currently drilling on proven west flank structure of the Turner Valley Oil Field, Alberta. On adjacent acreage to the north, Lion-Sunray No. 1 has come in as the third largest well in the field with an allowable of 674 barrels per day.

PRICE — PAR

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$1000 " ¼ of 1 " "
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$ 100 " 1/40 of 1 " "

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Bonetal Reported Working In Ore

Two Ore Sections Stated Cut in 275-ft. Level Crosscut to South

Crosscutting south at the 275-ft. level of Bonetal Gold Mines was reported in Toronto last week to have cut two mineralized zones, one of which is believed to be the No. 1 ore zone, the westward extension of the ore zone from the adjoining Hallnor property.

At a point 310 ft. south of the shaft, a section 5 ft. wide is stated to have averaged 0.29 oz. gold per ton while a further width of 20 ft. averaged 0.28 oz. gold from chip sampling.

Mineralization at 512-ft. Level

Mineralization has also been cut 200 ft. south of the shaft at the 512-ft. level with assays not immediately available. Crosscutting is also proceeding south on two other levels at 175 and 400 ft.

From previous statements of the management, it is known that Broulan Porcupine Mines, a large shareholder, is willing to treat the company's ore in its own mill.

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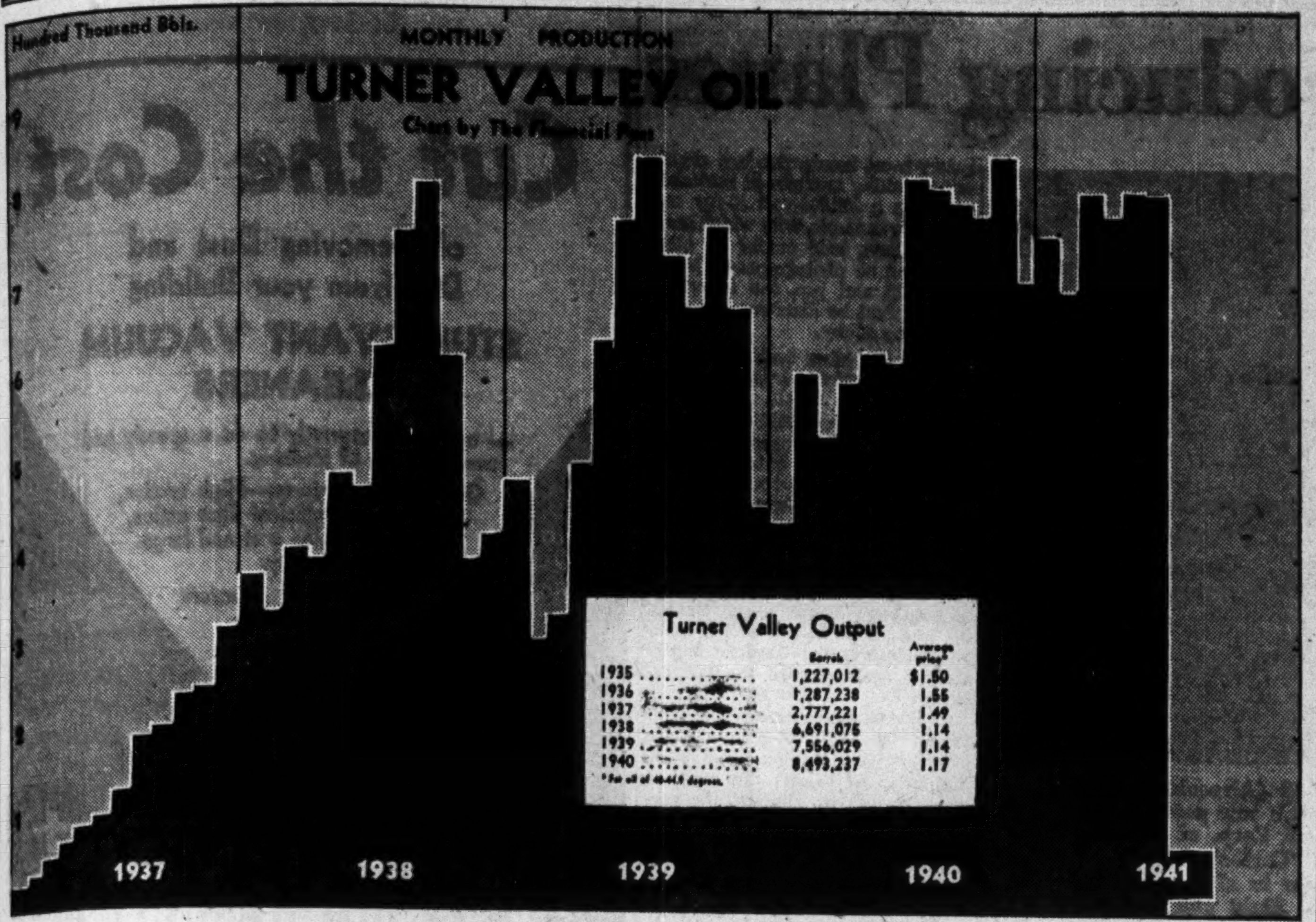

Turner Valley Output

	Barrels	Average price*
1935	1,227,012	$1.50
1936	1,287,238	1.55
1937	2,777,221	1.49
1938	6,691,075	1.14
1939	7,556,029	1.14
1940	8,493,237	1.17

*For oil of 40-44.9 degrees.

The recent order of Oil Controller Cottrelle raising the price of Turner Valley crude is expected to give a stimulant to activity in this field.. The chart shows the growth of production since crude oil was first commercially produced in Alberta.

What's Ahead For Turner Valley

Crude Boost Combines with Other Factors To Brighten Outlook

By GORDON M. GRANT
Staff Writer, The Financial Post

Even more important than the boost of 27 cents a barrel for Turner Valley crude announced by Oil Controller G. R. Cottrelle last week was his statement that official policy is still all aid for Turner Valley's oil industry short of actual government financing of well drilling.

As a matter of fact, oil operators believe the increase in crude oil by 27 cents will restore drilling activity; that public interest in financing oil wells will take an upward trend. To support this, it is pointed out that oil royalty orders have been pouring into dealers following the step-up in crude.

But should the 27-cent a barrel lift prove insufficient to secure a resumption of active well drilling, oil men point out the Oil Controller can still aid the Turner Valley industry without anything in nature of government subsidy. Before the increase in the price of oil went through, it cost in the neighborhood of 50 cents a barrel more to lay down a barrel of imported Montana crude at the refinery than it did to secure a barrel of Turner Valley crude oil. And Montana crude is both lower grade and yields fewer products. Even with the increase in the price of crude, there is still around 23 cents a barrel difference between the cost of foreign and domestic oil.

World Crude Rising

Naturally the Oil Controller wishes to keep the domestic price of crude oil as low as possible to aid the war effort. This has been an important factor in keeping the price of crude fixed as long as has been the case. But the price of crude has been rising outside of Canada. As the supply problem for crude becomes more acute—and the supply situation for foreign exchange becomes more acute too—further increases in the price of crude may become desirable.

It is a peculiar anomaly that the oil transportation problem which was a Turner Valley bottleneck not long ago should now prove an aid. As the shortage of oil tankers and railway tank cars for bringing crude to Canada develops further, the need for greater domestic oil production—and a higher price for oil to get it—seems to increase.

Effect of Crude Boost

Increase in price of oil by 27 cents a barrel has not affected all of Turner Valley's oil wells the same. Naturally 27 cents a barrel more for oil is of greater importance to the well turning out a lower grade of crude—say around $1.20 a barrel at the old price—than it is to a well that has been getting $1.35 a barrel.

Operating costs are another factor. The small well with a narrow margin of profit has much more to gain than a larger well where operating costs are relatively insignificant compared with the size of the revenue being realized.

Other factors besides the step-up in the price of crude are also at work to make Turner Valley drilling more profitable.

Oil wells usually cost around $1,000 a month or somewhat less to operate, including $450 a month for staff salaries. Major Oil Investments has instituted a plan for one big single tank farm which it is expected will reduce operating costs at this group of wells to around $350 to $400 per well. Three separator men will handle the production from six wells instead of the production from just one well. Sale of natural gas for drilling operations is also expected to reduce costs at the well.

Even a saving of $500 a month is important. It would be equivalent to almost $10 a month more on 52 1% net preferred royalties. Costs of drilling wells have been steadily increasing; tank farms are one way to decrease operating costs to offset this.

While grade of oil and operating costs make a difference, returns to the holder of a net preferred oil royalty in Turner Valley are expected to be around 22% greater now following the boost in the price of crude. Grade of crude and costs of operation may make this figure of 22% somewhat higher or lower.

$2.7 Millions Extra a Year

Oil wells in Turner Valley are now turning out approximately 27,000 bbls. of crude oil daily. An increase of 27 cents a barrel in value for this output works out at $2.7 millions more a year—or enough to drill 16 additional wells in Turner Valley. A considerable portion of oil royalty income is ploughed back into further oil royalties and it is conceivable that a good part of this extra income actually will find its way back into new drilling. Far more important, however, is the extra confidence given the investor by the crude boost, first in getting his money back from his oil royalty investment and secondly in getting a profit besides.

Tax Concessions Help

It is expected that special tax concessions will also help revive Turner drilling. On May 30 the House of Commons approved an amendment to the War Exchange Conservation Act which empowers Dominion Government to enter into agreements with oil companies to give them tax concessions to assist in financing oil prospecting.

The assistance will be by way of special tax credits and/or special allowances for depreciation or depletion under the Income War Tax Act and/or the Excess Profits Tax Act. The Dominion Government offers to enter into agreements with individual oil operators, partnerships or corporations, on recommendation of the Minister of Finance. Probably a method of bargaining will be used to complete the individual agreement as is the case with mining operators and the increasing need for gold.

Alberta Government Situation

While the Alberta Government has aroused indignation of oil operators by its attempt to "grab" a larger proportion of oil well revenue, some tax concessions have been offered operators which will be of value as long as the Alberta Government does not follow the Dominion Government's request to leave the income tax field.

Under the new provincial rulings, development costs, including the costs of drilling unproductive wells in 1940 and later years may be written off at a maximum rate of a third a year. Depletion will be allowed at 25% of the net income from production. Production equipment, including casing, may be depreciated at a maximum rate of 20% per annum, compared with 15% previously. Rotary drilling equipment, when in constant use throughout any year, may be written off at a maximum rate of a third of cost for both drill pipe and equipment, compared with 30% formerly. The new ruling also provides that gains on disposal of production equipment or salvage by abandonment of well shall be added to income.

Get Money Back Sooner

Altogether these various rulings allow the write-off of expenditures much more rapidly than previously and a reduction in early payments of income tax so oil companies can get their money back more quickly. Unfortunately the attempt by the Alberta Government to increase their "cut" of oil production has shaken confidence. Operators are now testing the validity of the Alberta rulings and there appears a good chance that they will win out in the courts. In this case the outlook for the oil industry may be restored in spite of the Alberta Government.

A lag in drilling sometimes does not make itself felt in lower oil production for a considerable period. Turner Valley has been experiencing a lull in drilling with very few completions recently, but June production was still ahead of any previous June in history. Crude oil production in the first half of 1941 was below the immediately preceding six months but approximately a third in excess of the first six months of 1940.

Record Output This Year

If completions in the second half of 1941 should be at a fast enough rate to maintain the first half's level of output of around 26,000 bbls. daily, a new high of about 9.5 million barrels would be set for oil production this year. This would compare with 8,493,237 bbls. for Alberta in 1940.

The increasing amount of gas required to lift the daily output of Turner Valley crude oil continues to cause concern. It was the cause some time ago of the closing in of gas wells. Natural gas production, largely from Turner Valley, amounted to 4,951,663 m.c.f. during May or an average of 159,751 m.c.f. daily. This was a decrease of 14,487 m.c.f. daily from Apr., 1941, but was an increase of 29,898 m.c.f. daily over May, 1940. Most of the decrease from Apr., 1941, came from the energy conservation programme instituted by the Conservation Board and from reduced seasonal demand from gas wells, while the increase over May, 1940, was due to increased oil production and the rising gas-oil ratios of wells. To get the best out of Turner Valley in the way of oil production, repressuring is something that will be considered.

Gas Ration Rises

In May, 1941, a total of 149 oil wells in Turner Valley required an average of 4.14 cu. ft. of gas to lift a barrel of oil. In January of this year 138 oil wells had required an average of only 3.82 cu. ft. of gas to lift a barrel of oil. In five months the gas requirement for lifting oil showed a considerable increase. The introduction of a special war allowable has meant slightly uneconomic operation of oil wells to secure a larger immediate output. Part of the rise in gas-oil ratios no doubt can be attributed to this supplementary war allowable.

Fortunately for the future of the Turner Valley field, gas-oil ratios have been low in the north end of the field where the Home Oil and C. C. Cross interests are actively developing. As well as having a large initial oil output, wells in the north end have this better than average operating condition, suggesting a long life.

What Would Have Happened

If 27 cents a barrel extra had been received for oil the past year, payments on some oil royalties would have rated quite high. Take an exceptional well like Alberta Oil Incomes No. 2, one of the largest in Turner Valley. Out of oil production from completion of the well in Oct., 1940, to the end of May, $1,342 has been returned of each 1% net royalty unit which had originally been sold around $4,375 with a preference of $3,675. This included a payment of $414 for May. If 27 cents a barrel more had been received for oil, payments to date would be around $1,637 and the May payment would have been over $500. Royalties on many smaller wells which are closer to the margin of being profitable and not being profitable would have been over the top. Future wells will have the benefit of the price increase to offset a falling off of production at many wells sooner than was previously the expectation.

Other Implications

While the increase in the price of crude oil only applied to Turner Valley, it undoubtedly has important implications for other areas — proved and potential.

If new fields show they are capable of important production, it is not likely that the price allowed for their crude oil will be below that allowed for the Turner Valley product. Operations like Abasand Oils, working the Athabaska tar sands, also stand to benefit materially from higher crude prices. If the Lethbridge crude strike stands up under further investigation, a higher crude price will undoubtedly stimulate an extension of development.

PITT MANAGES SPUD VALLEY

From Our Own Correspondent

VANCOUVER.—Dale L. Pitt, for many years with American Smelting & Refining Co., chief operating executive of the Premier Gold Mining Co. during its most prosperous period and until recently general manager of Premier's operations at Big Bell, Western Australia, has joined Spud Valley Gold Mines as director and vice-president in charge of production.

Spud Valley is the second largest gold producer in the Zeballos camp.

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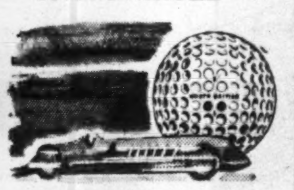

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Government, Not Aluminum Co. Blamed for Metal Scarcity

The government of the United States, and not Aluminum Co of America, is responsible for a shortage of aluminum, stated Dr. William Yandell Elliott, industrial consultant in the Office of Production Management, in a recent address. "The shortage was the result of the inability of our Army and Navy people to translate the future into demands for present planning at the very beginning of our effort," stated Dr. Elliott.

Dealing with the problem has involved getting control of scrap aluminum as well as the primary metal and having voluntary collection of pots and pans and of aluminum scrap of every sort as a patriotic effort in the United States, he went on. Even with the maximum effort, some users of aluminum will go short and probably will go short for some time to come, he maintains.

Canada has already seen dramatic evidence of the shortage of aluminum in the United States. Millions of dollars of the metal have been ordered from Aluminum Co. of Canada. This has made necessary large expansion of facilities and a $30 millions power project has just been announced as part of the programme.

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Inter State Royalty Reports on Position

From Our Own Correspondent

MONTREAL. — Inter-State Royalty Corp.'s investments in oil royalties had a book value of $1,087,443 at the end of March, 1941. Up to the end of last April income from royalties since acquisition amounted to $473,655 and reserve for depletion $129,578.

During April the company had a gross royalty income of $1,811, while accumulated royalty income to the end of April this year amounted to $10,859.

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Doing the 'Impossible'—Mass Producing Planes

Mighty Machine Tools Speed Output of Fighter Craft

By RONALD A. KEITH
Editor, Canadian Aviation.

BUFFALO, N.Y.—There are no miracles in plane production, but here in Lawrence Bell's Airacobra mill they seem to have discovered equivalents of the magic wand. These are the organization of a giant factory with the precision of a Swiss watch and the regimentation of machine tool genii for highspeed production of fighting planes.

The same story can be found in most of the big U. S. plane plants today. Volume orders have admitted mass production methods to an industry until months ago dominated by handicraft. Because it is typical and, furthermore, because Airacobra pursuit planes probably will equip Royal Canadian Air Force home defense squadrons, the operation at Bell Aircraft is worthy of Canadian attention.

The P-39, known here as the Airacobra and in England as the Caribou, is probably the most revolutionary of all the front-line planes in the world. Its 1150 h.p. Allison V-12 power plant is housed behind the pilot and directly over the wing, on the center of gravity.

Radical But it Works

Power reaches the three-bladed propeller through a nine-foot-long crankshaft which runs beneath the pilot's cockpit. This long, slender shaft was ridiculed by conventional designers at first, but it has driven the Airacobra steadily and successfully through the controversial storms. It may be radical, but it works.

It not only works, but it gives the P-39 pronounced advantages, particularly in armament installation. Heavy armament and ammunition magazines replace the conventional engine in the bullet-shaped nose of the plane. A 37 mm. cannon fires explosive shells through the hollow propeller hub while two synchronized machine guns spit bullets between the whirling blades.

With additional guns in the wings, the Airacobra thus becomes a flying arsenal. There are numerous armament alternatives, perhaps the most formidable of which calls for four 20 mm. cannon in the wings, one 20 mm. cannon in the nose, and two .50 cal. machine guns firing through the prop. Five cannon and two heavy machine guns in a trim top-speed weapon spell destruction in anybody's air force.

The other advantages of this radical design are: Optimum streamlining of the nose; installation of a retracting nose wheel, which means tricycle landing gear and better visibility while taxiing; and greater manoeuverability with the weight of the engine over the centre of gravity.

Daring Trail-makers

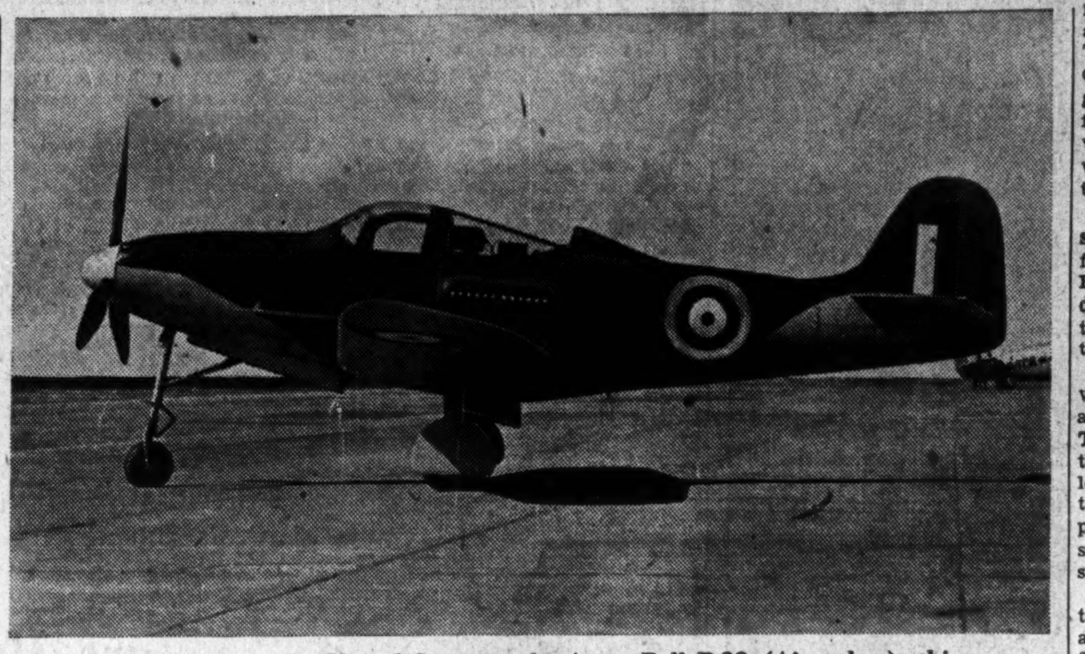
Bell Aircraft is a relatively new company, organized in 1935, and from the start it has featured novelty of design. The Cobra's predecessor, the Airacuda, was a twin-engined multiseater fighter with pusher propellers which left the snouts clear to carry two cannon. Only 14 of these were built, then the company concentrated on its new fighter.

In the fall of 1939 the U. S. Army ordered 13 Airacobras, raising this to 93 at the end of that year. In May of 1940 the French ordered 200 and when France collapsed, Britain took over this order, stepping it up to 800. In the fall of last year, the U. S. Army raised its order to 800, giving Bell orders totalling 1,600.

The first production model came off the U. S. line in August, 1940, and the first 33 were completed by the end of last December. The first plane for Britain, taking shape on a parallel assembly line, emerged from the plant about a month ago.

With the new assembly plant at Niagara Falls getting under way, and providing Allison engines can be supplied to keep pace with output, Bell should be turning out at least one plane a day from each of the two lines this summer.

Even as the vast intricacy of production was being organized, the P-39 was modified in certain important design details, such as armor plating to protect the pilot, leak-proof gas tanks, bullet-proof windscreening, etc.



Known in the United States as the Army Bell P-39 (Airacobra), this single-engine, cannon carrying fighter dressed in British war paint is the first of a big order to be delivered by the Bell Aircraft Corp. of Buffalo, N.Y., to the Royal Air Force. The British call it the "Caribou."

Except for minor changes, the Caribou is similar in all respects to the Airacobra. The tricycle landing gear retracts in flight and is completely sealed over. The rear location of the engine provides superior visibility for the pilot, particularly in night operations, since his forward view is not affected by the glare from the engine exhaust stacks.

Canada Wants Them

Canada would like to get quantities of Airacobras for home defense duties but will have to stand in line, bowing to the more urgent needs of Britain.

When Bell opened shop in 1935 it was within 30,000 square feet of floor space. In 1939 this had increased to 200,000 square feet. Last year, it was jumped to 494,000 square feet. Now the new assembly plant at Niagara Falls has added 240,000 square feet.

Employment expanded from 1,000 at the end of 1939 to 5,000 at the end of 1940 and will be about 8,000 in September.

Standardization is the great secret of production speed in today's aircraft plant. The heaviest responsibility rests on the lofting department. Here the exceedingly accurate blueprints of parts, including rivet bolt positions, are transferred to metal patterns known as templates.

From the master patterns from the lofting department, duplicates or shop templates are made and these work patterns guide the big machine tools in cutting, shaping and drilling the countless identical metal shapes.

The flat shapes must be formed to exact curvatures. Formerly this precise job was done laboriously with rubber hammers and wooden molds. Now giant drop hammers and hydraulic presses stamp the flat aluminum into the required shape in split seconds. Zinc molds, male and female, are made for this purpose from a plaster model of the plane, which, in turn, has been built up on a metal backbone and ribs from the lofting department.

Saves Thousands of Hours

This system results in the saving of many thousands of hours. It means, for example, that all the rivet holes can be spotted and gang-drilled at the start, even on parts which are afterwards pressed or stamped into various shapes. When the sheet or part reaches the assembly shop, the workman has only to clamp it in place and drive the rivets.

By maximum use of machine tools, labor on the Airacobra has been reduced to 20,000 man-hours per plane. There are some 9,000 individual parts in the airframe alone. Each plane requires 54,000 rivets, over a quarter-mile of dural and steel tubing, half a mile of electrical and control cable, and 4,627 square feet of sheet metal.

This material flows through shops containing 354 machine tools—millers, leading edge rollers, horizontal shapers, radial drills, stretchers, grinders, drop hammers, hydraulic presses, countersinkers, dimplers, screw machines, rivet machines, etc.

From these the materials take shape as 100 different sub-assemblies for each plane, and these in turn flow into 13 major assemblies which merge in the final assembly line.

The tooling in the Bell plant is valued at $1.5 million, with an additional $1.8 million for jigs and fixtures. Jigs are the steel frames on which the parts are fitted together with great accuracy.

In this plant, after the fuselage shell has been assembled, it mounts a frame on rollers, thus moving from station to station along the assembly line. In the new Niagara Falls plant, there is a constantly-moving assembly line comparable to the automobile plant system.

Apart from the shop and the assembly line, but essentially part of the production process, the test laboratory must assure flawless quality and unfailing strength of materials. There is a 200,000-volt X-ray machine, for example, with which inner gas pockets, hair cracks or other flaws can be photographed. Every vital bolt and pin, the failure of which might be disastrous, is scrutinized by X-ray.

There are other tests, for corrosion, for impact and tensile strength, for fatigue of metals, and so on. Every stress and strain of flying is duplicated and multiplied many times over in tests before the materials are okayed for production.

The completed plane in the air with its wheels tucked up has the appearance of a winged cannon shell The nose is pointed, fairing back to the cockpit housing just over the leading edge of the wing. Behind the transparent bubble of the cockpit enclosure, the fuselage tapers sharply again toward the tail assembly.

To retract the undercarriage after taking off, the pilot simply flicks a switch, like turning off a light. Similarly, he selects the guns he wants to use by flipping the corresponding switches on a small panel at the side of the dash board. Then, when in action, he merely presses a button on his control stick and the selected guns fire away.

One fighter squadron in the U. S. has been equipped with Airacobras and the first of these deadly pursuits with British markings has come off the line. Bell Aircraft has the stage set for mass production. This seems to indicate that in addition to bolstering the defenses of Britain and the U. S., the winged cobra probably will be employed by Canadian defense forces before very long.

SHIPPING EXECUTIVE

Capt. Edmund Aikman, general superintendent of Canadian Pacific Steamships, Vancouver, who has been appointed assistant to chairman, succeeding M. McD. Duff, who retires at the end of this month.

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ON oversize tires a giant artillery tractor goes smashing through the undergrowth. With a sickening thud it dives into a trench. It mires itself in bottomless mud, then literally pulls itself out by its bootstraps.

This is the picture today on the proving ground near Ford of Canada's Windsor, Ontario plant. The testing ground has been selected, conditioned, to present even tougher obstacles than actual fields of warfare thousands of miles away. It is a unique "battlefield" where no shots are fired, no bombs drop, no man dies.

The daily crash-rumble-clatter of military vehicles on this "battlefield" is a constant reminder to the 13,000 Canadian workers at Ford's huge Windsor plant. It reminds them of the grim job that 90,000 Ford-built vehicles, of more than twenty types, are now doing for the Empire armies on many fronts.

And so today there is a new purpose in every Ford department—new determination to keep the job rolling fast and well—new meaning in the song of 4,300 different machines now going full blast on war production.

FORD MOTOR COMPANY OF CANADA, LIMITED